

the several counties of this State; providing that participation therein by counties shall be voluntary, and authorized by the qualified voters of such county, and providing that administration of said system may be committed to the same body set up to administer the statewide municipal retirement system authorized under Section 51f of Article III.

The resolution was read second time.

Question—Shall H. J. R. No. 22 be passed to third reading?

Bill Ordered Not Printed

On motion of Senator Bell, and by unanimous consent H. B. No. 25 was ordered not printed.

Adjournment

On motion of Senator Hudson the Senate at 11:15 o'clock p. m. adjourned until 10:30 o'clock a. m. on Monday, May 21, 1951.

SEVENTY-FIRST DAY

(Monday, May 21, 1951)

The Senate met at 10:30 o'clock a. m., pursuant to adjournment, and was called to order by the President.

The roll was called and the following Senators were present:

Aikin	Lock
Ashley	Martin
Bell	McDonald
Bracewell	Moffett
Bullock	Moore
Carney	Nokes
Carter	Parkhouse
Colson	Phillips
Corbin	Russell
Fuller	Shofner
Hardeman	Strauss
Hazlewood	Tynan
Hudson	Vick
Kelley of Hidalgo	Wagonseller
Kelly of Tarrant	Weinert
Lane	

A quorum was announced present.

Reverend W. H. Townsend, Chaplain, offered the invocation.

On motion of Senator Aikin, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, May 17, 1951, was dispensed with and the Journal was approved.

Message From the House

Hall of the House of Representatives,
Austin, Texas,
May 21, 1951.

Hon. Ben Ramsey, President of the Senate.

Sir: I am directed by the House to inform the Senate that the House has passed the following:

S. B. No. 267, A bill to be entitled "An Act amending the antitrust laws of the State of Texas by amending Title 126 of the Revised Civil Statutes of the State of Texas by adding a new article to be known as Article 7428-1 and by amending Chapter 3, Title 19, of the Penal Code of the State of Texas by adding a new Article to be known as Article 1634a, both to provide that it is a conspiracy in restraint of trade where any employer and any labor union make an agreement whereby persons not members of such union shall be denied work by such employer or whereby such membership is made a condition of employment by such employer, or whereby such union acquires an employment monopoly; repealing all laws in conflict; and declaring an emergency."

(With amendments.)

The House has concurred in Senate amendments to H. J. R. No. 38 by vote of 117 yeas, 4 nays.

S. B. No. 273, A bill to be entitled "An Act to amend Article 41a, Revised Civil Statutes of Texas, also known as Chapter 315, page 517, Acts of the 49th Legislature, providing that the number of members on the Board of Public Accountancy be raised from five (5) to nine (9) members, providing for the appointment of members of said board, and prescribing their qualifications, powers and duties in regulating the practice of Public Accountancy in Texas; providing for the issuance of annual permits to practice Public Accountancy, providing for the examination and re-examination of and issuance of the Certificate of Certified Public Accountant to qualified applicants; providing for the conducting of oral examinations and grading of all examinations by, or under the direction of, the Department of Business Administration of the University of Texas, repealing all laws in conflict therewith; providing for penalties for violating the provisions of this Act; and declaring an emergency."

The House has concurred in Senate amendments to House Bill No. 413 by vote of 111 yeas, 0 nays.

S. C. R. No. 63, A concurrent resolution requesting the Governor to return to the Senate Senate Bill No. 414 for further consideration.

H. C. R. No. 136, Suspending the Joint Rules of the House and Senate to allow the House to consider House Bills Numbers 810 and 811 at any time.

H. C. R. No. 138, Requesting the Governor to return House Bill No. 717 to the House.

The House has concurred in Senate amendments to House Bill No. 178 by vote of 118 yeas, 0 nays.

The House has concurred in Senate amendments to House Bill No. 302 by vote of 117 yeas, 0 nays and 1 present not voting.

The House has concurred in Senate amendments to House Bill No. 192 by vote of 100 yeas, 1 nay and 2 present not voting.

The House has concurred in Senate amendments to House Bill No. 314 by viva voce vote.

The House has concurred in Senate amendments to House Bill No. 560 by vote division.

S. C. R. No. 56, Granting Mrs. O. S. Bishop and Mr. and Mrs. H. W. Bolin, A. D. Bishop, R. T. Bishop, Mr. and Mrs. R. P. Vessels permission to sue State.

S. C. R. No. 60, Authorizing Comptroller's Dept. to erect building for storage purposes on land to be furnished by Board of State Hospitals and Special Schools.

H. C. R. No. 110, Granting various corporations permission to sue the State of Texas.

Respectfully submitted,
CLARENCE JONES,
Chief Clerk, House of Representatives.

Senate Resolution 251

Senator Aikin offered and read the following resolution:

Whereas, Honorable Carl C. Hardin, Jr., has rendered most outstanding and faithful service to the Senate during this Session of the

Legislature in his capacity as Assistant Secretary and Reading Clerk; and

Whereas, It is the desire of the Senate to recognize and express full appreciation for his untiring efforts and his assistance to the Senate and the individual Senators in a most courteous and efficient manner; now, therefore, be it

Resolved, By the Senate, that the President of the Senate appoint three members to escort Mr. Hardin to the President's chair and present him with a small token of our appreciation for his outstanding work and his wholehearted cooperation.

AIKIN
HARDEMAN

The resolution was read and was adopted.

Accordingly, the President appointed Senators Aikin, Hardeman and Carter as a committee to escort Mr. Hardin to the President's stand.

The President presented Senator Aikin and Senator Aikin expressed the appreciation of the Senators for the services rendered by Mr. Hardin and presented to him a watch from the members of the Senate.

Mr. Hardin addressed the Senate briefly and thanked the members for the gift and for the privilege of serving them during the 52nd Legislature.

Senate Bill 267 With House Amendments

Senator Parkhouse called S. B. No. 267 from the President's table for consideration of the House amendments to the bill.

The President laid the bill and House amendments before the Senate, and the House amendments were read.

Senator Parkhouse moved that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The motion prevailed.

Accordingly, the President announced the appointment of the following conferees on the part of the Senate on the bill:

Senators Parkhouse, Aikin, Ashley, Bell and Hudson.

Bill Ordered Printed

On motion of Senator Moffett, and by unanimous consent, H. B. No. 734 was ordered printed prior to committee hearing on same.

Senate Resolution 252

Senator Bell offered the following resolution:

Whereas, We are honored today to have in the gallery eight students of the Sacred Heart School of Floresville, Texas, together with their sponsor, Father John J. Gebermann; and

Whereas, These students and guests are on an educational tour of the Capitol Building and the Capital City; now, therefore, be it

Resolved, That these individuals be officially welcomed and recognized by the Senate, and that they be extended the courtesies of the floor for the day, and that a copy of this resolution be sent to the above individuals.

The resolution was read and was adopted.

House Bill 25 on Second Reading

On motion of Senator Bell, and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to third reading:

H. B. No. 25, A bill to be entitled "An Act to prevent the inundation or forced relocation, partially or wholly, of cities and towns incorporated for more than ten (10) years without the consent of the majority of the qualified property taxpaying electors thereof; limiting the authority of the State Board of Water Engineers to grant permits for the construction, enlargement or extension of dams, lakes, reservoirs or other facilities upon any natural stream, watercourse, or watershed for the diversion, impounding or storage of public waters, etc., and declaring an emergency.

The bill was read second time and passed to third reading.

House Bill 25 on Third Reading

Senator Bell moved that the constitutional rule requiring bills to be read on three several days be suspended and that H. B. No. 25 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—27

Aikin	McDonald
Bell	Moffett
Bracewell	Moore
Bullock	Nokes
Carney	Parkhouse
Carter	Phillips
Colson	Russell
Corbin	Shofner
Fuller	Strauss
Hazlewood	Tynan
Hudson	Vick
Kelley of Hidalgo	Wagonseller
Lane	Weinert
Lock	

Nays—4

Ashley	Kelly of Tarrant
Hardeman	Martin

The President then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed.

Record of Votes

Senators Kelley of Hidalgo, Martin, Tynan, Kelly of Tarrant, Carter and Ashley asked to be recorded as voting "nay" on the final passage of H. B. No. 25.

House Concurrent Resolution 131

On motion of Senator Martin, and by unanimous consent, the President laid before the Senate for consideration at this time, the following resolution:

H. C. R. No. 131, Requesting the Governor to return House Bill No. 486 to the House.

The resolution was read and was adopted.

Senate Resolution 253

Senator Hazlewood offered the following resolution:

Whereas, We are honored today to have in the gallery of the Senate the Senior Class of McLean High School, accompanied by Superintendent and Mrs. L. O. Cummings and Mr. and Mrs. Tommy Hulsey, and two mothers, Mrs. Jolly and Mrs. Hupp; and

Whereas, These students and their teachers and Mrs. Jolly and Mrs. Hupp are on an educational tour of

the Capital City of their State and of the Capitol Building; and

Whereas, The interest of these visitors is manifested by the great distance they have traveled in order to better acquaint themselves with the operation of their government; now, therefore, be it

Resolved, That these guests within the Capital City be officially welcomed and recognized by the Senate, and that each be presented with a copy of this resolution.

The resolution was read and was adopted.

Senate Bill 466 on Second Reading

On motion of Senator Colson, and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to engrossment:

S. B. No. 466, A bill to be entitled "An Act to amend Sections 5 and 14 of House Bill No. 59, Acts Fortieth Legislature, Regular Session, 1927, Chapter 212, the same being Articles 6166d and 6166m, Vernon's Ann. Civil Statutes, changing the time of meeting of the Texas Prison Board and providing a new method of handling certain moneys and accounts of the Texas Prison System; and declaring an emergency."

The bill was read second time and passed to engrossment.

Senate Bill 466 on Third Reading

Senator Colson moved that the constitutional rule requiring bills to be read on three several days be suspended and that S. B. No. 466 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—29

Aikin	Kelley of Hidalgo
Ashley	Kelly of Tarrant
Bell	Lane
Bracewell	Lock
Bullock	Martin
Carney	McDonald
Carter	Moffett
Colson	Moore
Corbin	Nokes
Fuller	Parkhouse
Hardeman	Phillips
Hazlewood	Shofner
Hudson	Strauss

Tynan	Weinert
Wagonseller	

Absent

Russell	Vick
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The President then laid the bill before the Senate on its third reading and final passage.

The bill was read third time.

Senator Colson offered the following amendment to the bill:

Amend S. B. No. 466 by striking out Section 3 and inserting in lieu thereof the following:

"Sec. 3. The importance of this Act and the crowded condition of the Calendar in both Houses of the Legislature create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each House be suspended, and the same is hereby suspended, and this Act shall take effect and be in force from and after its passage, and it is so enacted."

The amendment was adopted by the following vote:

Yeas—30

Aikin	Lane
Ashley	Lock
Bell	Martin
Bracewell	McDonald
Bullock	Moffett
Carney	Moore
Carter	Nokes
Colson	Parkhouse
Corbin	Phillips
Fuller	Russell
Hardeman	Shofner
Hazlewood	Strauss
Hudson	Tynan
Kelley of Hidalgo	Wagonseller
Kelly of Tarrant	Weinert

Absent

Vick

The bill, as amended, was passed by the following vote:

Yeas—31

Aikin	Fuller
Ashley	Hardeman
Bell	Hazlewood
Bracewell	Hudson
Bullock	Kelley of Hidalgo
Carney	Kelly of Tarrant
Carter	Lane
Colson	Lock
Corbin	Martin

McDonald	Shofner
Moffett	Strauss
Moore	Tynan
Nokes	Vick
Parkhouse	Wagonseller
Phillips	Weinert
Russell	

Senate Bill 465 on Second Reading

On motion of Senator Colson, and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to engrossment:

S. B. No. 465, A bill to be entitled "An Act to amend Article 802 of Title 9, Chapter 4, Code of Criminal Procedure of the State of Texas, to provide for the appointment of an executioner by the General Manager of the Texas Prison System under certain conditions; and declaring an emergency."

The bill was read second time and passed to engrossment.

Senate Bill 465 on Third Reading

Senator Colson moved that the constitutional rule requiring bills to be read on three several days be suspended and that S. B. No. 465 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—28

Aikin	Martin
Ashley	McDonald
Bell	Moffett
Bullock	Moore
Carter	Nokes
Colson	Parkhouse
Corbin	Phillips
Fuller	Russell
Hardeman	Shofner
Hudson	Strauss
Kelley of Hidalgo	Tynan
Kelly of Tarrant	Vick
Lane	Wagonseller
Lock	Weinert

Absent

Bracewell	Hazlewood
Carney	

The President then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed by the following vote:

Yeas—31

Aikin	Lock
Ashley	Martin
Bell	McDonald
Bracewell	Moffett
Bullock	Moore
Carney	Nokes
Carter	Parkhouse
Colson	Phillips
Corbin	Russell
Fuller	Shofner
Hardeman	Strauss
Hazlewood	Tynan
Hudson	Vick
Kelley of Hidalgo	Wagonseller
Kelly of Tarrant	Weinert
Lane	

Senate Resolution 256

Senator Hazlewood offered the following resolution:

Whereas, We are honored today to have in the gallery of the Senate the Senior Class of Lazbuddie High School, accompanied by Mr. Lawrence R. Bowers as sponsor; and

Whereas, These students and their teacher are on an educational tour of the Capital City of their State and of the Capitol Building; and

Whereas, The interest of these visitors is manifested by the great distance they have traveled in order to better acquaint themselves with the operation of their government; now, therefore, be it

Resolved, That these guests within the Capital City be officially welcomed and recognized by the Senate, and that each be presented with a copy of this resolution.

The resolution was read and was adopted.

House Joint Resolution 27 on Second Reading

On motion of Senator Parkhouse, and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to third reading:

H. J. R. 27, Providing for counties to take over full responsibility for erection and maintenance of hospital system.

The resolution was read second time.

Senator Parkhouse offered the following amendment to the resolution:

Amend H. J. R. No. 27 by striking out all below the resolving clause and by inserting in lieu thereof the following:

Section 1. That Article IX of the Constitution of the State of Texas be and the same is hereby amended by adding thereto another section to be designated as Section 4, which shall read as follows:

"Section 4. Any county that operates a hospital or hospital system jointly with any city within the county for needy persons shall assume full responsibility for providing such hospital and medical services as are required by the laws of this State that a county must furnish by creating for such purpose a County-wide Hospital District.

"Any lands, buildings or equipment that may be jointly owned by such county and city where such medical services and hospital care are furnished to the needy persons of the city and county, shall become the property of such County Hospital District and the title thereto shall vest in the district; provided, however, that any outstanding bonded indebtedness incurred by the city or county in the acquisition of the lands and buildings, or in the construction and equipping of such hospital facilities shall be assumed by the district and become the obligation of the district, and the city or county that issued such bonds shall be relieved of any further liability for the payment thereof. The district so assuming such bonded indebtedness shall levy a sufficient tax upon all taxable property within the district for the purpose of meeting the interest and sinking fund requirements for such outstanding bonds.

"The hospital or hospital system established under the terms and provisions of this amendment shall be governed by a Board of Hospital Managers, composed of not less than three (3) nor more than seven (7) members, which Board shall be appointed by a majority vote of the Commissioners Court. The actual number who shall compose the Board shall be fixed by the Commissioners Court by an order duly entered on the Minutes of the Court. The terms of office of the Board of Hospital Managers shall be two (2) years; however, the terms shall overlap so that, depending upon the number which will compose the Board, a majority will be selected every second year. The Board Members will serve

without compensation. Vacancies on the Board will be filled by the Commissioners Court. It shall be the duty of said Board of Hospital Managers to provide such rules and regulations for the operation of the hospital system not inconsistent with the Constitution and the General Laws of the State of Texas. Full power of administration and control over such hospital or hospital system shall be vested in said Board. The County or District Attorney, as the case may be, shall be the legal advisor and represent the Board in all legal matters. The Commissioners Court shall levy annually the taxes necessary for the support of the hospital or hospital system. However, the Board of Managers shall suggest the amount of taxes it deems necessary to meet the sinking fund requirements, and for the operation and maintenance for the ensuing year, but the Commissioners Court will be ultimately responsible for fixing the rate and the levy of the taxes.

"The Commissioners Court of any county adopting the provisions of this Amendment shall have the power and authority to levy a tax of not to exceed Seventy-five (\$.75) Cents on the One Hundred Dollar (\$100.00) valuation on all taxable property within the district for the purpose of creating a sinking fund to pay the outstanding bonded indebtedness assumed as hereinabove provided and to pay the interest and sinking fund requirements on hospital bonds that may have been issued by said city or county and also to pay for the maintenance and operation of said hospital or hospital system.

"The provisions of this amendment to the Constitution shall not become effective in any county unless a majority of the legally qualified tax-paying voters as defined in the Constitution shall have voted in favor of the particular County Hospital District exercising the powers as provided herein. Additional bonds for the enlargement, improvement and extension of the hospital or hospital system may be issued and sold by the district if and when authorized and in the manner provided by law; provided, however, that the interest and sinking fund requirements for such additional bonds shall likewise be defrayed out of the Seventy-five (\$.75) Cent tax hereinabove authorized. At the election called for the purpose of determining whether or not any particular county desires to adopt this

method of operating a county-wide hospital district, there shall also be submitted a proposition to the resident property taxpayers who are qualified to vote on the question of levying a tax under the Constitution, as to what part of the Seventy-five (\$.75) Cent tax authorized by this amendment may be levied by the Commissioners Court, as a maximum, when such operation of the hospital system begins, and thereafter the Commissioners Court shall not be authorized to levy more than this amount until such amount is increased by another vote of the qualified voters, but in no event shall the total tax exceed the Seventy-five (\$.75) Cents authorized."

Section 2. The foregoing Constitutional Amendment shall be submitted to a vote of the qualified voters of this State at a Special Election to be held on the second Tuesday in November, 1951, at which all ballots shall have printed thereon: "FOR the Constitutional Amendment, permitting the creation of County-wide Hospital Districts to take over the full responsibility for the erection, construction, maintenance and support of a hospital or hospital system which may now be jointly operated by a county and a city; providing for the assumption of any bonded indebtedness that may be outstanding and having been issued by any such city or county; providing for a tax to be levied by the Commissioners Court for the acquisition, construction and maintenance of such hospital or hospital system; providing for the appointment of a governing body of such hospital or hospital system; providing for an election to be held in the county in order to avail itself of the terms and provisions of this Amendment to the Constitution and authorizing counties generally, upon a vote of the qualified taxpaying voters to establish a county hospital or hospital system where there is no hospital system jointly operated by a county and a city," and, "AGAINST the Constitutional Amendment, permitting the creation of county-wide hospital districts to take over the full responsibility for the erection, construction, maintenance and support of a hospital or hospital system which may now be jointly operated by a county and a city; providing for the assumption of any bonded indebtedness that may be outstanding and having been issued by any such city or county; providing for a tax to

be levied by the Commissioners Court for the acquisition, construction and maintenance of such hospital or hospital system; providing for the appointment of a governing body of such hospital or hospital system; providing for an election to be held in the county in order to avail itself of the terms and provisions of this Amendment to the Constitution and authorizing counties generally, upon a vote of the qualified taxpaying voters to establish a county hospital or hospital system where there is no hospital system jointly operated by a county and a city." In counties or other political subdivisions using voting machines, the above provision for voting for and against this Constitutional Amendment shall be placed on said machine and each voter shall vote on such machine for or against the Constitutional Amendment.

The amendment was adopted.

Senator Parkhouse offered the following amendment to the resolution:

Amend H. J. R. No. 27 by striking out all above the resolving clause and substituting in lieu thereof the following:

"House Joint Resolution No. 27, Proposing an amendment to Article IX of the Constitution of the State of Texas by adding a new section to be designated as Section 4, providing for the Counties by creating for such purpose a County-wide Hospital District to take over the full responsibility for the erection, construction, maintenance and support of a hospital or hospital system which may now be jointly operated by a County and a City; providing for the assumption of any bonded indebtedness that may be outstanding and having been issued by any such City or County; providing for a tax to be levied by the Commissioners Court for the acquisition, construction and maintenance of such hospital or hospital system; providing for the appointment of a governing body of such hospital or hospital system; providing for an election to be held in the County in order to avail itself of the terms and provisions of this amendment to the Constitution and authorizing counties generally upon a vote of the qualified taxpaying voters to establish a County hospital district where there is no hospital system jointly operated by a County and a City."

The amendment was adopted.

The resolution, as amended, was passed to third reading.

House Joint Resolution 27 on Third Reading

Senator Parkhouse moved that the constitutional rule requiring resolutions to be read on three several days be suspended and that H. J. R. No. 27 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—29

Aikin	Lock
Ashley	Martin
Bell	Moffett
Bullock	Moore
Carney	Nokes
Carter	Parkhouse
Colson	Phillips
Corbin	Russell
Fuller	Shofner
Hardeman	Strauss
Hazlewood	Tynan
Hudson	Vick
Kelley of Hidalgo	Wagonseller
Kelly of Tarrant	Weinert
Lane	

Nays—2

Bracewell	McDonald
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The President then laid the resolution before the Senate on its third reading and final passage.

The resolution was read third time and was passed by the following vote:

Yeas—24

Aikin	Martin
Ashley	Moffett
Bullock	Moore
Carney	Nokes
Carter	Parkhouse
Colson	Phillips
Corbin	Russell
Fuller	Shofner
Hudson	Strauss
Kelly of Tarrant	Tynan
Lane	Vick
Lock	Weinert

Nays—3

Bracewell	McDonald
Hardeman	

Absent

Bell	Kelley of Hidalgo
Hazlewood	Wagonseller

Senate Resolution 257

Senator Vick offered the following resolution:

Whereas, We are honored today to have in the gallery of the Senate the Ninth Grade of the East Junior High School of Waco, Texas; and

Whereas, These students, accompanied by their teachers, Miss Claudie Hope, Miss Louise Hall and Mrs. Helen Landers, are on an educational tour of the Capitol Building and the Capital City; now, therefore, be it

Resolved, That these individuals be officially welcomed and recognized by the Senate; that they be extended the courtesies of the floor for the day; and that each member of this class and their teachers be furnished with a copy of this resolution.

The resolution was read and was adopted.

Senate Resolution 258

Senator Wagonseller offered the following resolution:

Whereas, We are honored today to have in the Senate Mr. and Mrs. Joe Benton of Nocona, Texas, and

Whereas, They are outstanding citizens of North Texas, therefore, be it

Resolved, That these individuals be officially welcomed and recognized by the Senate, and that they be extended the courtesies of the floor for the day.

The resolution was read and was adopted.

Senate Resolution 259

Senator Moffett offered the following resolution:

Whereas, We are honored today to have in the gallery the Senior Class of the Odell High School of Odell, Texas, together with their teacher, Mr. E. H. Howard; and

Whereas, These students and guests are on an educational tour of the Capitol Building and the Capital City; now, therefore, be it

Resolved, That these individuals be officially welcomed and recognized by the Senate, and that they be extended the courtesies of the floor for the day.

The resolution was read and was adopted.

Conference Committee Report on House Bill 285

Senator Weinert submitted the following Conference Committee report on H. B. No. 285:

Austin, Texas,
May 21, 1951.

Hon. Ben Ramsey, President of the Senate;

Hon. Reuben Senterfitt, Speaker of the House of Representatives.

Sirs: Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on H. B. No. 285, have met and had same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

WEINERT
LOCK
PHILLIPS
HUDSON

On the part of the Senate.

ADAMS
LINDSEY
PERRY of Brazoria
ABINGTON

On the part of the House.

H. B. No. 285, A bill to be entitled "An Act levying and allocating certain Taxes to provide revenues for the payment of Old Age Assistance, aid to destitute children, and to the needy blind, obligations of the State under Teachers Retirement Act, revenues for the highway system of this State, and for the economical and efficient operation of the State Government by amending Section 2 (1) of Article I of House Bill No. 8, Chapter 184 of Acts, 47th Legislature so as to increase the occupation tax therein levied on the production of oil; by amending Section 1 of Article III of said House Bill No. 8 so as to increase the occupation tax therein levied on the mining and production of sulphur; by amending paragraph (1) of Section 1, of main Section 1 of House Bill 628, Chapter 269 of Acts, 49th Legislature, so as to increase the occupation tax therein levied on the production of gas; by repealing Section 5 of said House Bill 628 which provides for a determination of a market value of gas by the Comptroller upon a hearing after ten (10) days notice; by amending Subdivision (2) of Section 1 of main Section 1 of said House Bill 628 so as to designate the value of gas processed for its liquid hydro-

carbon content obtained by cycling; by amending Section 1 of Article V of said House Bill No. 8 so as to increase the gross receipts tax therein levied against those owning, operating, managing or controlling any gas, electric light, electric power, water works, or water and light plants; by amending Sections 1, 2, 3 (c), 5a and 6, as each is amended, of Article VI of said House Bill No. 8, so as to increase the tax therein levied upon the retail sale of every motor vehicle sold in this State, or purchased at retail sale outside of this State, and brought into the State for use, by further defining the term 'Motor Vehicle,' by providing for the making and filing of a joint affidavit by the purchaser and seller and in the event of error in amount of the consideration, providing for affidavit error fees, and by requiring the Tax Assessor and Collector to forward to the Comptroller a certain per cent of fees collected together with copies of receipts issued; by amending Section 1 of Article VII of said House Bill No. 8 so as to increase the tax therein levied upon the first sale of distilled spirits, vinous liquor, artificially carbonated and natural sparkling vinous liquor and malt liquors; by amending Section 1 of Article VIII of said House Bill No. 8, as amended by Section 1 of House Bill 777, Acts, 51st Legislature so as to increase the franchise tax therein levied upon every domestic and foreign corporation heretofore or hereafter chartered or authorized to do or doing business in the State; by amending Section 1 of Article X of said House Bill No. 8 so as to increase the luxury excise tax therein levied on those selling at retail, new radios, new cosmetics and playing cards, and by levying such tax on those selling at retail new television sets; by amending Section 1 (a) of Article XI of said House Bill No. 8 so as to increase the occupation tax therein levied on the production or manufacture of carbon black; by amending Article XII of said House Bill No. 8 so as to increase the tax therein levied on the first intrastate distribution, sale or use of cement manufactured or produced in and/or imported into this State; by amending Section 1 (a) of Article XIV of said House Bill No. 8 so as to increase the gross receipts tax therein levied against those doing business as a 'motor bus company' and those doing business as a 'motor carrier' and

those doing business as a 'contract carrier'; so as to prescribe penalties and interest on past due taxes, so as to provide for cancellation of permits and certificates upon failure to make reports or pay the taxes therein levied, and so as to provide that the tax paid shall be for the quarter next preceding; by amending Section 1 of Article XVI of said House Bill No. 8 so as to increase the tax therein levied upon those engaged in the business of furnishing any service or performing any duty for others for a consideration with the use of any devices, tools, instruments or equipment, electrical, mechanical, or otherwise, or by means of any chemical, electrical, or mechanical process when such service is performed in connection with the cementing of the casing seat of any oil or gas well or the shooting or acidizing of formations of such wells or the surveying or the treating of the sands or other formations of the earth in any such oil or gas wells; by amending Section 1 of House Bill No. 54, Chapter 341 of Acts, 49th Legislature so as to increase the tax therein levied on the gross premium receipts of certain classes of insurance companies, or carriers, and allowing as a credit against said taxes all examination and valuation fees paid in each taxable year, and in order to prevent the levying of double taxes on said classes of insurance companies and carriers; repealing Section 1 of Article XVII of House Bill No. 3, Acts, 1st Called Session, 51st Legislature insofar as same levies a tax on gross premium receipts for the year 1951 on said classes or carriers of insurance set forth in said Section 1 of said House Bill No. 54; by amending Sections 2 and 4 and Sections 5 and 5A, as amended, of House Bill No. 18, Chapter 400, Acts, 44th Legislature, 1st Called Session so as to increase the chain store tax therein levied and to provide further regulations and fees; by amending Section 1 of Senate Bill No. 141, Chapter 238 of Acts, 50th Legislature so as to increase the stock transfer tax therein levied; by amending Section 1 of House Bill 472, Chapter 620 of Acts, 51st Legislature so as to increase the tax therein levied on the gross premium receipts of certain classes of insurance companies or carriers and in order to prevent the levying of double taxes on said classes of insurance companies or carriers, repealing Section 2 of Article XVII of House Bill

No. 3, Acts, 1st Called Session, 51st Legislature insofar as same levies a tax for the year 1951 on the gross premium receipts of said classes of insurance companies or carriers; by amending Paragraph (1) of Section 1 of Article IV of said House Bill No. 8 so as to increase the gross receipts tax therein levied on those owning, operating, managing or controlling telephone line or lines or telephones within this State with certain exceptions; by amending Section 22 of House Bill No. 84, Chapter 543, Acts, 51st Legislature so as to increase the tax therein levied on the first sale of beer manufactured in, or imported into, this State; by amending Section 1 of House Bill No. 471, Chapter 619, Acts, 51st Legislature so as to increase the tax on the gross premium receipts of certain classes of insurance companies or carriers, and in order to prevent the levying of double taxes on said classes of insurance companies or carriers, repealing Section 3 of Article XVII of House Bill No. 3, Acts, 1st Called Session, 51st Legislature insofar as it levies for the year 1951 a tax on gross premium receipts of said classes of insurance companies or carriers; by amending Sections 1, 2(d), 3(a), 13 (as amended), 14 (as amended), 18, 22, 26 and 27 (as each is amended) of Article XVII of said House Bill No. 8 so as to define certain terms used in said Article, provide that the tax therein levied shall not be imposed on motor fuel delivered to a common carrier or into ocean-going vessels or barges and moved out of the State, change the date for filing monthly distributor reports, provide for a refund of taxes paid on motor fuel used off the public highway except on construction and maintenance work paid for from funds to which motor fuel tax collections are allocated, describe applications and licenses refund dealers are required to file and secure, describe the records to be kept by refund dealers and by claimants for tax refund, describe the invoice of exemption refund dealers shall issue with each sale, or appropriation for use, of refund motor fuel, prohibit refund dealers from serving as notaries public, preparing claims or keeping records for customers, describe refund claims and the information to be shown therein, describe methods of measuring or accounting for refund motor fuel used for non-exempt purposes, authorize assignment of right to receive tax

refund under certain conditions, prescribe misdemeanor for violation of refund law and forfeiture penalty for loss of exemption books, require user-dealers to collect taxes imposed on special fuels sold and delivered into fuel tanks for operating vehicles on highway, and to pay taxes on special fuels used or delivered into fuel tanks for use in motor vehicles by said user-dealers on the highway, exempt thirty gallons imported in fuel tanks of vehicles entering Texas, allow user-dealer to deduct one per cent of taxable gallonage for expense of collecting tax, making bond and keeping records, describe applications and permits required to be filed and secured by user-dealers, describe bonds to be furnished by user-dealers, with limitations, conditions and liabilities of said bonds, describe procedure for revoking permits, provide user-dealers shall be presumed to have used special fuels purchased and unaccounted for, prescribe records and tax reports to be kept and made by user-dealers, authorize Comptroller to fix amount of taxes, penalties and interest when records are not kept as required, secure taxes due on special fuels with preferred lien on user-dealer's property and equipment used in business, authorize Comptroller and peace officers to stop vehicles and examine manifests and special fuels being transported or used, include civil penalties for violations of the law by user-dealers, empower Comptroller to enforce payment of taxes and penalties found to be due on examination of records or other investigation, prescribe misdemeanor fines, felony penalties and punishment for offenses named therein, repeal conflicting laws and provide for savings clause; providing that the provisions of this House Bill 285 shall become effective on September 1st, 1951, and further providing that, except as may be otherwise provided herein, the revenues from the taxes levied herein shall be allocated as provided in Article XX of said House Bill No. 8, Chapter 184, Acts of the 47th Legislature, and any amendments thereto; and declaring an emergency."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION I

Section 2 (1) of Section 1 of Article I of House Bill No. 8, Chapter 184 of Acts, Forty-seventh Legislature, being codified as Article 7057a, Ver-

non's Annotated Civil Statutes, be and the same is hereby amended, so as to read as follows:

"Sec. 2 (1). There is hereby levied an occupation tax on oil produced within this State of 4.6 Cents per barrel of forty-two (42) standard gallons. Said tax shall be computed upon the total barrels of oil produced or salvaged from the earth or waters of this State without any deductions and shall be based upon tank tables showing one hundred per cent (100%) of production and exact measurements of contents. Provided, however, that the occupation tax herein levied on oil shall be 4.6 per cent of the market value of said oil whenever the market value thereof is in excess of One Dollar (\$1) per barrel of forty-two (42) standard gallons. The market value of oil, as that term is used herein, shall be the actual market value thereof, plus any bonus or premiums or other things of value paid therefor or which such oil will reasonably bring if produced in accordance with the laws, rules, and regulations of the State of Texas."

SECTION II

Section 1 of Article III of House Bill No. 8, Chapter 184 of Acts, Forty-seventh Legislature, which is codified as Subdivision 40b of Article 7047, Vernon's Annotated Civil Statutes, be and the same is hereby amended, so as to read as follows:

"Section 1. Sulphur Producers: Each person, firm, association, or corporation who owns, controls, manages, leases, or operates any sulphur mine, or mines, wells, or shafts, or who produces sulphur by any method, system, or manner within this State shall make quarterly, on the first day of January, April, July, and October of each year, a report to the Comptroller in this State, or if such person be other than individual, sworn to by its president, secretary, or other duly authorized officer, on such forms as the Comptroller shall prescribe, showing the total amount of sulphur produced within this State by said person during the quarter next preceding, and at the time of making said report shall pay to the Treasurer of this State an occupation tax for the quarter ending on said date an amount equal to \$1.40 per long ton, or fraction thereof, of all sulphur produced by said person within the State of Texas during said quarter.

"Each person subject to the payment of this tax shall cause to be made, kept, and preserved a full and

complete record of all sulphur produced in this State by it, all of which record shall be open at all times to official inspection and examination by the Comptroller or the Attorney General, or any employee of or representative of the Comptroller or the Attorney General. Said records may be destroyed after three (3) years from the last entry appearing in any such record. Any person failing to keep such record, or records, as herein required, shall forfeit to the State of Texas as a penalty any sum not less than Five Hundred Dollars (\$500) nor more than Five Thousand Dollars (\$5,000), payable to the State of Texas, and each ten (10) days of failure to keep such records shall constitute a separate offense and subject the offender to additional penalties for each such period of failure to keep such records. Any person subject to the payment of said tax on sulphur failing to pay the tax levied in this Article within thirty (30) days after same is due and payable shall pay to the State as a penalty an additional amount equal to ten per cent (10%) of the taxes due, and such tax and penalty shall draw interest at the rate of six per cent (6%) per annum from the due date until paid. The Attorney General or any district or county attorney at the direction of the Attorney General shall bring suit in behalf of the State to recover the amount of taxes, penalties, and interest past due and payable by any person affected by this law. The word 'person' as used in this law shall include persons, firms, partnerships, companies, corporations, associations, common law trusts, or other concern by whatever name or howsoever organized, formed, or created.

"The Comptroller may require such other information and such additional reports as he may deem advisable.

"Said tax shall be in lieu of the tax imposed by Chapter 74, Acts, Fifth Called Session, Forty-first Legislature and House Bill No. 251, Chapter 212, Section 1, Acts of the Regular Session of the Forty-second Legislature, and by Acts, Forty-fourth Legislature, Third Called Session, Chapter 495, Article 4, Section 6, and each and all of such Acts are hereby repealed, except as to the sulphur produced prior to the date this Act shall take effect, and the tax shall be paid on such sulphur so produced at the rate provided in such Act, and the taxes collected shall be

allocated as therein provided, and all reports provided for in such Act shall be made to the Comptroller. No offense against, and no liability or penalty, either civil or criminal, incurred on account of a violation theretofore of any or all of the provisions of such Acts or any amendments thereof, shall be discharged or affected by this Act, but prosecutions and suits shall be instituted and proceeded with in all respects as if such Acts had not been repealed herein; and the procedure prescribed in such Acts or in any other applicable existing laws shall be followed in all prosecutions and suits, now pending or hereafter instituted on account of such offenses, or liabilities."

SECTION III

Paragraph (1) of Section 1, of main Section 1 of House Bill No. 628, Chapter 269 of Acts, Forty-ninth Legislature, which is codified as Section 1 (1) of Article 7047b, Vernon's Annotated Civil Statutes of Texas, be and the same is hereby amended so as to read as follows:

"Section 1 (1). There is hereby levied an occupation tax on the business or occupation of producing gas within this State, computed as follows:

"A tax shall be paid by each producer on the amount of gas produced and saved within this State equivalent to 10% of the market value thereof as and when produced; provided that the amount of such tax on sweet and sour natural gas shall never be less than 121/1500 of One Cent (1c) per one thousand (1,000) cubic feet.

"In calculating the tax herein levied, there shall be excluded: (a) gas injected into the earth in this State, unless sold for such purposes; (b) gas produced from oil wells with oil and lawfully vented or flared; and, (c) gas used for lifting oil, unless sold for such purposes."

SECTION IV

Section 5 of House Bill No. 628, Acts Forty-ninth Legislature, Chapter 269, codified as Section 3-a of Article 7047b, Vernon's Annotated Civil Statutes of Texas, is hereby expressly repealed and shall be of no further force and effect.

SECTION V

Subdivision (2) of Section 1 of main Section 1 of House Bill No. 628, Chapter 269, Acts Forty-ninth Legislature, which is codified as Subdivision (2) of Section 1 of Article 7047b,

Vernon's Annotated Civil Statutes of Texas, is hereby amended so as to read as follows:

"(2) The market value of gas produced in this State shall be the value thereof at the mouth of the well; however, in case gas is sold for cash only, the tax shall be computed on the producer's gross cash receipts. Payments made by purchasers to producers for the purpose of reimbursing such producers for taxes due hereunder shall not be considered a part of the producers' gross cash receipts. In all cases where the whole or a part of the consideration for the sale of gas is a portion of the products extracted from the producer's gas or a portion of the residue gas, or both, the tax shall be computed on the gross value of all things of value received by the producer, including any bonus or premium; provided that notwithstanding any other provision herein to the contrary, where gas is processed for its liquid hydrocarbon content and the residue gas is returned by cycling methods, as distinguished from repressuring or pressure maintenance methods, to some gas producing formation, the taxable value of such gas shall be three-fifths ($\frac{3}{5}$) of the gross value of all liquids extracted, separated and saved from such gas, such value to be determined upon separation and extraction and prior to absorption, refining or processing of such hydrocarbons and such value prior to refining shall be the value of the highest posted price of crude oil in the field where said gas is produced or in the nearest oil field in the event no oil is produced in said field and the quantity of the products shall be measured by the total yield of the processing plant from such gas.

SECTION VI

Section 1 of Article V of House Bill No. 8, Chapter 184 of Acts, Forty-seventh Legislature, which is codified as Article 7060, Vernon's Annotated Civil Statutes of Texas, be and the same is hereby amended so as to read as follows:

"Section 1. That Article 7060, Revised Civil Statutes of Texas, 1925, as amended by Chapter 34, Acts of the Fifth Called Session of the Forty-first Legislature, as amended by Article IV, Section 3, Chapter 495, Acts of the Third Called Session of the Forty-fourth Legislature, be, and the same is hereby amended so as to read as follows:

"Article 7060. Each individual,

company, corporation, or association owning, operating, managing, or controlling any gas, electric light, electric power, or water works, or water and light plant, located within any incorporated town or city in this State, and used for local sale and distribution in said town or city, and charging for such gas, electric lights, electric power, or water, shall make quarterly, on the first day of January, April, July, and October of each year, a report to the Comptroller under oath of the individual, or of the president, treasurer, or superintendent of such company, or corporation, or association, showing the gross amount received from such business done in each such incorporated city or town within this State in the payment of charges for such gas, electric lights, electric power, or water for the quarter next preceding. Said individual, company, corporation, or association, at the time of making said report for any such incorporated town or city of more than one thousand (1,000) inhabitants and less than two thousand, five hundred (2,500) inhabitants, according to the last Federal census next preceding the filing of said report, shall pay to the Treasurer of this State an occupation tax for the quarter beginning on said date equal to .484% of said gross receipts, as shown by said report; and for any incorporated town or city of more than two thousand, five hundred (2,500) inhabitants and less than ten thousand (10,000) inhabitants, according to the last Federal census next preceding the filing of said report, the said individual, company, corporation, or association at the time of making said report shall pay to the Treasurer of this State an occupation tax for the quarter beginning on said date an amount equal to .891% of said gross receipts, as shown by said report; and for any incorporated town or city of ten thousand (10,000) inhabitants or more, according to the last Federal census next preceding the filing of said report, the said individual, company, corporation, or association, at the time of making said report, shall pay to the Treasurer of this State an occupation tax for the quarter beginning on said date an amount equal to 1.66375% of said gross receipts, as shown by said report. Nothing herein shall apply to any such gas, electric light, power or water works, or water and light plant, within this State, owned and operated by any

city or town, nor to any county or water improvement or conservation district.

"Nothing herein shall be construed to require payment of the tax on gross receipts herein levied more than once on the same commodity, and where the commodity is produced by one individual, company, corporation, or association, and distributed by another, the tax shall be paid by the distributor alone.

"No city or other political subdivision of this State, by virtue of its taxing power, proprietary power, police power or otherwise, shall impose an occupation tax or charge of any sort upon any person, corporation, or association required to pay an occupation tax under this Article. Nothing in this Article shall be construed as affecting in any way the collection of ad valorem taxes authorized by law; nor impairing or altering in any way the provisions of any contracts, agreements, or franchises now in existence, or hereafter made between a city and a public utility, relating to payments of any sort to a city. Nothing in this Article shall be construed as prohibiting an incorporated city or town from making a reasonable charge, otherwise lawful, for the use of its streets, alleys, and public ways by a public utility in the conduct of its business, and each such city shall have such right and power; but any such charges, whether designated as rentals or otherwise, and whether measured by gross receipts, units of installation, or in any manner, shall not in the aggregate exceed the equivalent of two per cent (2%) of the gross receipts of such utility within such municipality derived from the sale of gas, electric energy, or water. Any special taxes, rental, contributions, or charges accruing after the effective date of this Act, under the terms of any pre-existing contract or franchise, against any utility paying an occupation tax under this Article, when paid to any such city, shall be credited on the amount owed by such public utility on any charge or rental imposed for the use of streets, alleys, and public ways, levied by ordinance, and accruing after the effective date of this Act; provided that where valid ordinances have been enacted heretofore by cities imposing a charge or rental in excess of two per cent (2%) of the gross receipts of such utilities, nothing herein shall be construed so as to prohibit the col-

lection of such sum as may be due said cities thereunder from the date of said ordinances up to the time this Article shall become effective.

"And provided further that utilities paying an occupation tax under this Article shall not hereafter be required to pay the license fee imposed in Article 5a, House Bill No. 18, Chapter 400, Acts of Forty-fourth Legislature, for the privilege of selling gas and electric appliances and parts for the repairs thereof, in towns of three thousand (3,000) or less in population according to the next preceding Federal census."

SECTION VII

Motor Vehicle Sales Tax

Section 1. Section 1 of Article VI of House Bill No. 8, Acts, Forty-seventh Legislature, Regular Session, 1941, Chapter 184, as amended, which is compiled in Vernon's Annotated Civil Statutes of Texas, Article 7047k, is amended so as to read as follows:

"Section 1. (a) There is hereby levied a tax upon every retail sale of every motor vehicle sold in this State, such tax to be equal to 1.1% of the total consideration paid or to be paid to the seller by the buyer, which consideration shall include the amount paid or to be paid for said motor vehicle and all accessories attached thereto at the time of the sale, whether such consideration be in the nature of cash, credit, or exchange of other property, or a combination of these. In the event the consideration received by the seller includes any tax imposed by the Federal Government, then such Federal tax shall be deducted from such consideration for the purpose of computing the amount of tax levied by this Article upon such retail sale.

"(b) In all cases of retail sales involving the exchange of motor vehicles, the party transferring the title to the motor vehicle having the greater value shall be considered the seller, and no tax is imposed upon the transfer of a motor vehicle traded in upon the purchase of some other motor vehicle. Where such a retail sale involves an even exchange, each of the two parties to the transaction shall pay a tax of Five Dollars (\$5). Where a person makes a gift of a motor vehicle, the donee shall pay a tax of Ten Dollars (\$10)."

Section 2. Section 2 of Article VI of House Bill No. 8, Acts, Forty-seventh Legislature, Regular Session, 1941, Chapter 184, as amended, which is compiled in Vernon's Annotated

Civil Statutes of Texas, Article 7047k, is amended so as to read as follows:

"Section 2. (a) There is hereby levied a use tax upon every motor vehicle purchased at retail sale outside of this State and brought into this State for use upon the public highways thereof by a resident of this State or by a person, firm or corporation domiciled or doing business in this State. Such tax shall be equal to one and one-tenth per cent (1.1%) of the total consideration paid or to be paid for said vehicle at said retail sale. The tax shall be the obligation of and be paid by the person, firm, or corporation operating said motor vehicle upon the public highways of this State.

"(b) When a person makes application for the initial certificate of title in this State on a particular motor vehicle, he shall pay a use tax on that motor vehicle in the sum of Fifteen Dollars (\$15). No certificate of title or motor vehicle registration for such motor vehicle shall be issued until the use tax imposed by this subsection has been paid. However, a person is not liable for the tax imposed by this subsection if the sales or use tax imposed by any other provision of this Act has been previously paid upon such motor vehicle. It is the purpose of this subsection to impose a use tax upon motor vehicles brought into this State by new residents of this State."

Section 3. Subsection (c) of Section 3 of Article VI of House Bill No. 8, Acts, Forty-seventh Legislature, Regular Session, 1941, Chapter 184, as amended, which is compiled in Vernon's Annotated Civil Statutes of Texas, Article 7047k, is amended so as to read as follows:

"(c) The term 'motor vehicle' as used in this Act shall mean every self-propelled vehicle in or by which any person or property is or may be transported upon a public highway, including trailers and semitrailers, but shall not mean any device moved only by human power or used exclusively upon stationary rails or tracks and shall not include farm machinery or farm trailers or road building machinery or any self-propelled vehicle used exclusively to move any of the three immediately preceding vehicles."

Section 4. Section 5a of Article VI of House Bill No. 8, Acts, Forty-seventh Legislature, Regular Session, 1941, Chapter 184, as amended, which is compiled in Vernon's Annotated

Civil Statutes of Texas, Article 7047k, is amended so as to read as follows:

"Section 5a. The purchaser and seller shall make a joint affidavit setting forth the then value in dollars of the total consideration, whether in money or other things of value, received or to be received by the seller or his nominee in a retail sale. Where a transfer of title to a motor vehicle is made either as the result of an even exchange or of a gift, the two principal parties to such a transaction shall make a joint affidavit setting forth the facts describing the nature of the transaction. Where any party to a sale, exchange, even exchange or gift is a corporation, the president, vice president, secretary, manager or other authorized officer of the corporation shall make the affidavit for the corporation. When the tax imposed by this Act is paid to the Tax Assessor and Collector, the person upon whom the tax is imposed by this Act shall file with the Tax Assessor and Collector the joint affidavit required by this Section. The Tax Collector and Assessor shall keep copies of the affidavits until they have been audited by the Comptroller of Public Accounts or his representative.

"(a) The seller shall keep complete records of each motor vehicle transferred by him at a retail sale. The record shall be retained by the seller at his principal office for at least four (4) years from the date of the transfer of the motor vehicle. These records shall be open to inspection by the Tax Collector and Assessor or his representative and by the Comptroller of Public Accounts or his representative.

"(b) Where the joint affidavit incorrectly states the amount of the consideration actually received by the seller so that the tax actually paid is less than that which was actually due, the seller shall pay an affidavit error fee as follows:

"(i) Twenty-five Dollars (\$25) if the actual consideration received by the seller was from five (5) through ten (10) per cent greater than the consideration upon which the tax was paid, and

"(ii) One Hundred Dollars (\$100) if the actual consideration received by the seller was in excess of ten per cent (10%) greater than the consideration upon which the tax was paid.

"(c) The seller shall pay the affidavit error fee to the Tax Collector and Assessor. One-half of the affidavit error fee shall be retained by

the county as a fee of office or paid into the officers salary fund of the county, as is provided by general law. The remainder of the affidavit error fee shall be paid over to the State. The Tax Collector and Assessor shall refuse to accept an application for registration or for transfer of title of any motor vehicle from any seller who owes the Tax Collector and Assessor an affidavit error fee."

Section 5. Section 6 of Article VI of House Bill No. 8, Acts, Forty-seventh Legislature, Regular Session, 1941, Chapter 184, as amended, which is compiled in Vernon's Annotated Civil Statutes of Texas, Article 7047k, is amended so as to read as follows:

"Section 6. The Tax Assessor and Collector shall issue a receipt to the person paying the taxes imposed by this Act, making two duplicate copies of the said receipt. The Comptroller of Public Accounts shall prescribe the form of the receipt. Between the 1st and 15th of April, July, October and of January, and more often if he so desires, the Tax Assessor and Collector shall forward ninety-five per cent (95%) of the money collected from the taxes imposed by this Act and one-half of the affidavit error fees collected during the preceding three (3) months to the Comptroller of Public Accounts, together with one duplicate copy of each receipt issued by him to persons paying the tax or fee imposed by this Act. The Tax Assessor and Collector shall retain one duplicate receipt as a permanent record in his office and shall retain five per cent (5%) of the taxes and one-half of the affidavit error fees collected as fees of office, or to be paid into the officers salary fund of the county as provided by general law."

SECTION VIII

Section 1 of Article VII of House Bill No. 8, Chapter 184 of Acts, Forty-seventh Legislature, which is codified as Article 666-21, Vernon's Annotated Penal Code of Texas, be and the same is hereby amended, so as to read as follows:

"Section 1. Section 21 of Article I, Chapter 467, Acts of the Second Called Session of the Forty-fourth Legislature as amended by Section 3, Article III, House Bill No. 8, Chapter 495, Acts, Third Called Session of the Forty-fourth Legislature, and as further amended by Section 26 of Article I of Chapter 448, being H. B. No. 5, Acts, Regular Session, Forty-

fifth Legislature, shall be and is amended hereby so as to read hereafter as follows:

"Sec. 21.

"There is hereby levied and imposed on the first sale in addition to the other fees and taxes levied by this Act the following:

"(a) A tax of \$1.408 per gallon on each gallon of distilled spirits, providing the minimum tax on any package of distilled spirits shall be \$0.088.

"(b) A tax of \$0.11 on each gallon of vinous liquor that does not contain over fourteen per cent (14%) of alcohol by volume.

"(c) A tax of \$0.22 on each gallon of vinous liquor containing more than fourteen per cent (14%) and not more than twenty-four per cent (24%) of alcohol by volume.

"(d) A tax of \$0.275 on each gallon of artificially carbonated and natural sparkling vinous liquor.

"(e) A tax of \$0.55 on each gallon of vinous liquor containing alcohol in excess of twenty-four per cent (24%) by volume.

"(f) A tax of \$0.165 on each gallon of malt liquor containing alcohol in excess of four per cent (4%) by weight.

"The term 'first sale' as used in Article I of this Act shall mean and include the first sale, possession, distribution, or use in this State of any and all liquor refined, blended, manufactured, imported into, or in any other manner produced or acquired, possessed, or brought into this State.

"The tax herein levied shall be paid by affixing a stamp or stamps on each bottle or container of liquor. Said stamps shall be affixed in strict accordance with any rule or regulation promulgated in pursuance of this Act; provided, however, any holder of a permit as a retail dealer as that term is defined herein shall be held liable for any tax due on any liquor sold on which the tax has not been paid.

"It shall be the duty of each person who makes a first sale of any liquor in this State to affix said stamps on each bottle or container of liquor and to cancel the same in accordance with any rule and regulation of the Board. The Board shall have power to relax the foregoing provision when in its judgment it would be impracticable to require the affixing of such stamp on the bottle or container, irrespective of any other provision of this Act. And any person,

persons, or association who violates any portion of this Section shall be deemed guilty of a misdemeanor, and upon conviction shall be punished by a fine of not less than One Hundred Dollars (\$100) nor more than One Thousand Dollars (\$1,000), or by imprisonment in the county jail for not less than thirty (30) days nor more than one (1) year. Every holder of a permit authorizing the wholesaling of liquor, upon receipt of a shipment of liquor for sale within this State, under the provisions of this Act, shall prepare and furnish such information and such reports as may be required by rules and regulations of the Board. Any person authorized to export liquor from this State having in his possession any liquor intended for shipment to any place without the State, shall keep such liquors in a separate compartment from that of liquors intended for sale within the State so that the same may be easily inspected and shall attach to each such package of liquor so intended for shipment without the State a stamp of the kind and character that shall be required by proper rule or regulation denoting that the same is not intended for sale within the State. When such liquors are so kept and so stamped no tax on account thereof shall be charged. For defraying the expenses thereof, a charge of Twenty-five Cents (25c) shall be made for every such stamp, except that a charge of Ten Cents (10c) shall be made for each such stamp placed on vinous or malt liquors of twenty-four per cent (24%) alcoholic content or less. All such permittees authorized to transport liquor beyond the boundaries of this State shall furnish to the Board duplicate copies of all invoices for the sale of such liquors, within twenty-four (24) hours after such liquors have been removed from their place of business.

SECTION IX

Section 1 of Article VIII of House Bill No. 8, Chapter 184 of Acts of Forty-seventh Legislature, as amended by Section 1 of House Bill No. 777, Chapter 536, Acts, Fifty-first Legislature, which is codified as Article 7084, be and the same is hereby amended, so as to read as follows:

"Section 1. That Article 7084, Revised Civil Statutes of Texas, as amended by Chapter 68, Section 2, Acts of the Forty-first Legislature, Fifth Called Session, as amended by Chapter 265, Section 1, Acts of the Forty-second Legislature, as amended

by Chapter 184, Article VIII, Section 1, Acts of the Forty-seventh Legislature, as amended by Section 1 of H. B. 777, Chapter 536, Acts of the Fifty-first Legislature, be and the same is hereby amended so as to hereafter read as follows:

"Article 7084. Amount of Tax.

"(1) Except as herein provided, every domestic and foreign corporation heretofore or hereafter chartered or authorized to do business in Texas, or doing business in Texas, shall, on or before May first of each year, pay in advance to the Secretary of State a franchise tax for the year following, based upon that proportion of the outstanding capital stock, surplus and undivided profits, plus the amount of outstanding bonds, notes and debentures (outstanding bonds, notes and debentures shall include all written evidences of indebtedness which bear a maturity date of one (1) year or more from date of issue, and all such instruments which bear a maturity date of less than one (1) year from date of issue which represent indebtedness which has remained continuously outstanding for a period of one (1) year or more from date of inception whether or not said indebtedness has been renewed or extended by the issuance of other evidence of same indebtedness to the same or other parties, and it is further provided that this term shall not include instruments which have been previously classified as surplus), as the gross receipts from its business done in Texas bear to the total gross receipts of the corporation from its entire business, which tax shall be computed on the basis of One Dollar and Twenty-five Cents (\$1.25) per One Thousand Dollars (\$1,000) or fractional part thereof; provided, that such tax shall not be less than Twenty-five Dollars (\$25.00) in the case of any corporation, including those without capital stock, and provided further that the tax shall in no case be computed on a sum less than the assessed value, for County ad valorem tax purposes, of the property owned by the corporation in this State. Capital stock as applied to corporations without capital stock shall mean the net assets.

"(2) Corporations, other than those enjoying the use of public highways by virtue of a certificate of public convenience and necessity granted by the Railroad Commission of Texas, which are required by law to pay annually a tax upon intangible assets,

and corporations owning or operating street railways or passenger bus systems in any city or town and suburbs thereof, and corporations organized to and maintaining or owning or operating electric interurban railways, shall be required to hereafter pay a franchise tax equal to one-fifth (1/5) of the franchise tax herein imposed against all other corporations under Section (1) herein.

"(3) Except as provided in preceding Clause (2), all public utility corporations, which shall include every such corporation engaged solely in the business of a public utility as defined by the laws of Texas whose rates or services are regulated, or subject to a regulation in whole or in part, by law, shall pay a franchise tax as provided in this Article, except the same shall be based on that proportion of the issued and outstanding capital stock, surplus, and undivided profits, which the gross receipts of the business of said corporation done in this State bear to its total gross receipts instead of the gross assets; and in lieu of the rate hereinbefore prescribed said tax shall be computed on the basis of One Dollar and Twenty-five Cents (\$1.25) per One Thousand Dollars (\$1,000) or fractional part thereof.

"For the purpose of computing the tax of corporations issuing no par stock, such stock shall be taken and considered as being of the value actually received at the time of the issuance thereof; and foreign corporations issuing such stock shall furnish the Secretary of State with the same information now required of domestic corporations issuing such stock.

"The tax levied herein shall in no case be computed on a sum less than the assessed value, for County ad valorem tax purposes, of the property owned by the corporation in this State.

"(4) Corporations engaged partly in the business of a public utility as defined in Clause (3) and partly in business embraced in Clause (1) shall pay the franchise tax in the following manner: as to those businesses which come under Clause (1) the tax shall be computed as provided in Clause (1) on that proportion of the entire taxable capital under said Clause (1) as the Texas gross receipts from such business or businesses bear to the entire Texas gross receipts of such corporation; and to those businesses which come under

Clause (3) the tax shall be computed as provided in Clause (3) on that proportion of the entire taxable capital under said Clause (3) as the Texas gross receipts from such business or businesses bear to the entire Texas gross receipts of such corporation. The period for which such gross receipts are taken shall be for the same period used in computing the proportion of Texas taxable capital under Clauses (1) and (3).

"(5) Corporations which are now required to pay a separate franchise tax for each purpose or business authorized by their charter, shall hereafter pay only the tax provided hereunder for one purpose, and one-fourth (1/4) of such amount for each additional purpose named in their charters. Provided, however, this Article shall not apply to corporations organized under the Electric Cooperative Corporation Act. Provided, however, this Article does not amend, alter, or change in anywise any provision of Chapter 86, page 163, Forty-fifth Legislature, Acts, 1937, and provided further that nothing in this Article shall repeal any total exemption from franchise taxes now provided by law."

SECTION X

Section 1 of Article X of House Bill No. 8, Chapter 184 of Acts, Forty-seventh Legislature, which is codified as Article 7047 1, Vernon's Annotated Civil Statutes of Texas, be and the same is hereby amended, so as to read as follows:

"Section 1. Each person, partnership, association, or corporation selling at retail new radios, new television sets or new cosmetics, shall make quarterly on the first days of January, April, July, and October of each year, a report to the Comptroller, under oath of the owner, manager, or if a corporation, an officer thereof, showing the aggregate gross receipts from the sale of any of the above named items for the quarter next preceding; and shall at the same time pay to the Comptroller a luxury excise tax equal to 2.2% of said gross receipts as shown by said report.

"Every person, partnership, association, or corporation, selling at retail, playing cards, shall make quarterly report as provided above showing the total number of packs or decks of such cards sold during the preceding quarter, and shall at the same time pay to the Comptroller a luxury excise tax of \$0.06 per pack or deck of such playing cards so sold.

"Nothing herein shall be construed so as to require payment of the tax on gross receipts herein levied more than once on the proceeds of the sale of the same article of merchandise. A retail sale as used herein, means a sale to one who buys for use or consumption, and not for resale. Gross receipts of a sale means the sum which the purchaser pays, or agrees to pay for an article or commodity bought at retail sale, but does not include the amount of tax provided by this section, which the seller charges and receives above the regular price of an article or commodity."

SECTION XI

Section 1 (a) of Article XI of House Bill No. 8, Chapter 184 of Acts, Forty-seventh Legislature, which is codified as Section 1 (a) of Subdivision 46 of Article 7047, Vernon's Annotated Civil Statutes of Texas, be and the same is hereby amended, so as to read as follows:

"Section 1 (a) There is hereby levied an occupation tax on every person, agent, receiver, trustee, firm, association, or copartnership manufacturing or producing carbon black in this State, such tax to be as follows:

"1. On 'Class A' carbon black said tax to be 1342/12000 of One Cent (1c) per pound on all such carbon black produced or manufactured where the market value is Four Cents (4c) per pound or less, and shall be 4.51% of the value of all such carbon black produced or manufactured where the market value is in excess of Four Cents (4c) per pound.

"2. On 'Class B' carbon black said tax to be 341/2400 of One Cent (1c) per pound on all such carbon black produced or manufactured where the market value is Four Cents (4c) per pound or less, and shall be 5.72% of the value of all such carbon black produced or manufactured where the market value is in excess of Four Cents (4c) per pound.

"'Class A' carbon black as used in this Article means carbon black manufactured or produced by the use of less than two hundred (200) cubic feet of gas per pound of carbon black.

"'Class B' carbon black as used in this Article means carbon black manufactured or produced by the use of more than two hundred (200) cubic feet of gas per pound of carbon black.

"Should one (1) or more of the classifications herein be declared for any reason to be discriminatory or unconstitutional or for any reason in-

valid, then there is hereby levied on all carbon black manufactured or produced in this State a tax of 1342/12000 of One Cent (1c) per pound on all carbon black produced or manufactured where the market value is Four Cents (4c) per pound or less, and a tax of 4.51% of the value of all carbon black produced or manufactured where the market value is in excess of Four Cents (4c) per pound.

"The market value of a particular type or grade of carbon black shall be the average sales price of that type or grade of all bona fide sales made during the month on which the tax is being paid less the cost of packing, freight, and cartage. If no carbon black of the particular type or grade has been sold during the month for which the tax is being paid then the actual market value of the same shall be the average sales price of that type or grade of all bona fide sales during the last preceding month in which a bona fide sale of that particular type or grade of carbon black was made, less packing, freight, and cartage."

SECTION XII

Article XII of House Bill No. 8, Chapter 184 of Acts, Forty-seventh Legislature, which is codified as Subdivision 41 (a) of Article 7047, Vernon's Annotated Civil Statutes of Texas, be and the same is hereby amended, so as to read as follows:

"1. (a) Cement Distributors. There is hereby imposed a tax of \$0.0275 on the one hundred (100) pounds, or fractional part thereof, of cement on every person in this State manufacturing or producing in and/or importing cement into this State, and who thereafter distributes, sells or uses the same in intrastate commerce. Said tax shall accrue on and is imposed on the first intrastate distribution, sale or use; provided, however, no tax shall be paid except on one sale, distribution or use. The person liable for said tax is hereby defined as a 'distributor,' and said tax is to be allocated as hereinafter provided."

SECTION XIII

Section 1 (a) of Article XIV of House Bill No. 8, Chapter 184, Acts, Forty-seventh Legislature, which is codified as Article 7066b of Vernon's Annotated Civil Statutes of Texas, is hereby amended, so as to hereafter read as follows:

"Section 1. (a) Each individual,

partnership, company, association, or corporation doing business as a 'motor bus company' as defined in Chapter 270, Acts, Regular Session of the Fortieth Legislature, as amended by the Acts of 1929, First Called Session of the Forty-first Legislature, Chapter 78, or as 'motor carrier' or 'contract carrier' as defined in Chapter 277, Acts, Regular Session of the Forty-second Legislature, over and by use of the public highways of this State, shall make quarterly on the first day of January, April, July, and October of each year, a report to the Comptroller, under oath, of the individual, partnership, company, association, or corporation by its president, treasurer, or secretary, showing the gross amount received from intrastate business done within this State in the payment of charges for transporting persons for compensation and any freight or commodity for hire, or from other sources of revenue received from intrastate business within this State during the quarter next preceding. Said individual, partnership, company, association, or corporation at the time of making said report, shall pay to the State Treasurer an occupation tax for the quarter beginning on said date equal to 2.42% of said gross receipts, as shown by said report. Provided, however, carriers of persons or property who are required to pay an intangible assets tax under the laws of this State, are hereby exempted from the provisions of this Article of this Act.

All rights, privileges, permits and certificates of public convenience and necessity granted to such motor bus companies, motor carriers and/or contract carriers by the Railroad Commission of Texas, may be cancelled by said Commission if the owner or owners thereof shall in any manner avoid, fail or refuse to make the reports and pay the tax in the time and manner herein provided. The said Commission shall accept as true, a certificate from the Comptroller of Public Accounts setting forth the avoidance, failure or refusal to make such reports and/or pay such tax. A penalty of ten (10) per cent shall accrue on past due taxes, and in addition thereto such delinquent taxes shall draw interest at the rate of ten (10) per cent per annum."

SECTION XIV

Section 1 of Article XVI of House Bill No. 8, Chapter 184 of Acts, Forty-seventh Legislature, which is codified

as Article 7060a of Vernon's Annotated Civil Statutes of Texas, be and the same is hereby amended so as to read as follows:

Section 1. That Chapter 2 of Title 122 of the Revised Civil Statutes of Texas, 1925, as amended, shall be, and is hereby amended by adding thereto the following:

"Section 1. (a) The term 'person' shall for the purpose of this Article mean and include individuals, partnerships, firms, joint stock companies, associations, and corporations.

"(b) Every person in this State engaged in the business of furnishing any service or performing any duty for others for a consideration or compensation, with the use of any devices, tools, instruments or equipment, electrical, mechanical, or otherwise, or by means of any chemical, electrical or mechanical process when such service is performed in connection with the cementing of the casing seat of any oil or gas well or the shooting or acidizing the formation of such wells or the surveying or testing of the sands or other formations of the earth in any such oil or gas wells, shall report on the 20th day of each month and pay to the Comptroller, at his office in Austin, Texas, an occupation tax equal to 2.42% of the gross amount received from said service furnished or duty performed, during the calendar month next preceding. The said report shall be executed under oath on a form prescribed and furnished by the Comptroller."

SECTION XV

Section 1 of House Bill No. 54, Chapter 341 of Acts, Forty-ninth Legislature, being codified as Article 7064, be, and the same is hereby amended, so as to read as follows:

"Section 1. That Article 7064, Revised Civil Statutes of Texas, 1925, as amended, be and same is hereby amended so as to hereafter read as follows:

"Every insurance corporation, Lloyd's or reciprocals, and any other organization or concern transacting the business of fire, marine, marine inland, accident, credit, title, livestock, fidelity, guaranty, surety, casualty, workmen's compensation, employers' liability, or any other kind or character of insurance business, other than the business of life insurance, personal accident insurance, life and accident insurance, or health and accident insurance for profit, writ-

ten by a life insurance company, life and accident insurance company or health and accident insurance company, or for mutual benefit or protection in this State and other than fraternal benefit associations or societies in this State, and other than non-profit group hospital service plans, at the time of filing its annual statement, shall report to the Board of Insurance Commissioners the gross amount of premiums received upon property located in this State or on risks located in this State during the preceding year, and each of such insurance carriers shall pay an annual tax upon such gross premium receipts of 3.85%, provided that any such insurance carriers doing two (2) or more kinds of insurance businesses herein referred to shall pay the tax herein levied upon its gross premiums received from each of said kinds of business; and the gross premium receipts where referred to in this law shall be the total gross amount of premiums received on each and every kind of insurance or risk written, except premiums received from other licensed companies for reinsurance, less return premiums and dividends paid policyholders, but there shall be no deduction for premiums paid for reinsurance. The gross premium receipts, as above defined, shall be reported and shown as the premium receipts in the report to the Board of Insurance Commissioners by the insurance carriers, upon the sworn statements of two (2) principal officers of such carriers. Upon receipt by the Board of Insurance Commissioners of the sworn statements, showing the gross premium receipts by such insurance carriers, the Board of Insurance Commissioners shall certify to the State Treasurer the amount of taxes due by each insurance carrier which tax shall be paid to the State Treasurer on or before the first day of March following, and the Treasurer shall issue his receipt to such carrier, which shall be evidence of the payment of such taxes. No such insurance carrier shall receive a permit to do business in this State until all such taxes are paid.

"Each such insurance organization shall also report to the Board of Insurance Commissioners on or before the first day of March of each year, the amount that it had invested on the 31st of December, preceding, in Texas securities as defined herein and the amount that it had invested on said date in similar securities in the

State in which it had its highest percentage of admitted assets invested, and in computing the amount of such investments in such other State, it shall include as a part thereof that percentage of its investments in bonds of the United States of America purchased between December 8, 1941, and the termination of the war in which the United States is now engaged, that its reserves for unearned premiums and loss reserves, as required in such other state, are of its total reserves. If the report of such insurance organization as of December 31st preceding, shows that such organization had invested in Texas securities, as herein defined, an amount which is not less than seventy-five per cent (75%) nor more than eighty per cent (80%) of the amount that it had invested in similar securities in the State in which it then had the highest percentage of its admitted assets invested, its tax shall be 3.025% of such gross premium receipts; if the report shows such insurance organization had invested in such Texas securities on such date an amount which is in excess of eighty per cent (80%) and not more than eighty-five per cent (85%) of the amount that it had invested in similar securities in the state in which it then had the highest percentage of its admitted assets invested, its tax shall be 2.75% of such gross premium receipts; if the report shows such insurance organization had invested in such Texas securities on such date an amount which is in excess of eighty-five per cent (85%) and not more than eighty-eight per cent (88%) of the amount that it had invested in similar securities in the State in which it then had the highest percentage of its admitted assets invested, its tax shall be 2.2% of its gross premium receipts; if the report shows such insurance organization had invested in such Texas securities on such date an amount which is in excess of eighty-eight per cent (88%) and not more than ninety per cent (90%) of the amount that it had invested in similar securities in the State in which it then had the highest percentage of its admitted assets invested, its tax shall be 1.65% of such gross premium receipts; if the report shows such insurance organization had invested in such Texas securities on such date an amount which is in excess of ninety per cent (90%) of the amount that it had invested in similar securities in

the State in which it then had the highest percentage of its admitted assets invested, its tax shall be 1.1% of such gross premium receipts. Provided, further, that the amount of all examination and valuation fees paid in each taxable year to or for the use of the State of Texas by any insurance organization hereby affected shall be allowed as a credit on the amount of premium taxes to be paid by any such insurance organization for such taxable year.

"For the purposes of this Act, Texas securities are defined as real estate in this State; bonds of the State of Texas; bonds or interest bearing warrants of any county, city, town, school district or any municipality or subdivision thereof which is now or may hereafter be constituted or organized and authorized to issue bonds or warrants under the Constitution and laws of this State; notes or bonds secured by mortgage or trust deed on property in this State insured by the Federal Housing Administrator; the cash deposits in regularly established national or state banks or trust companies in this State on the basis of average monthly balances throughout the calendar year; that percentage of such insurance company's investments in the bonds of the United States of America, that its Texas reserves for the unearned premiums and loss reserves as may be required by the Board of Insurance Commissioners, are of its total reserves; but this provision shall apply only to United States Government bonds purchased between December 8, 1941, and the termination of the war in which the United States is now engaged; in any other property in this State in which by law such insurance carriers may invest their funds.

"No occupation tax shall be levied on insurance companies herein subjected to the gross premium receipt tax by any county, city or town. All mutual fraternal benevolent associations now or hereafter doing business in this State under the lodge system and representative form of government, whether organized under the laws of this State or a foreign state or country, are exempt from the provisions of this Article. The taxes aforesaid shall constitute all taxes collectible under the laws of this State against any such insurance carriers except maintenance taxes specially levied under the laws of this State and assessed by the Board of Insur-

ance Commissioners to support the various activities of the divisions of the Board of Insurance Commissioners, and except if any such carrier is writing personal accident or health and accident insurance other than workman's compensation, it shall be taxed as otherwise provided by law on account of such business; and except unemployment compensation taxes levied under Senate Bill No. 5, passed by Third Called Session of the Forty-fourth Legislature and amendments thereto. No other tax shall be levied or collected from any insurance carrier by the state, county, city or any town, but this law shall not be construed to prohibit the levy and collection of state, county and municipal taxes upon the real and personal property of such carrier. Purely co-operative or mutual fire insurance companies carried on by the members thereof solely for the protection of their own property, and not for profit, shall be exempt from the provisions of this law. This Act shall be cumulative of all other laws and shall repeal Article 4758, Revised Civil Statutes of 1925, as amended, and all other laws only in so far as they levy any tax on any of the organizations affected by this Act or otherwise conflict with this Act, except as provided above.

"Section 2. Section 1 of Article XVII of House Bill No. 3, Chapter 2, Acts of the First Called Session of the Fifty-first Legislature, (which is codified as Article 7064 $\frac{1}{2}$, Vernon's Annotated Civil Statutes of Texas), is hereby repealed insofar, and only insofar, as it levies a tax on premium receipts for the year 1951."

SECTION XVI

Section 1. Section 2 of House Bill No. 18, Chapter 400 of the Forty-fourth Legislature, First Called Session, 1935, which is compiled as Section 2 of Article 1111d, Vernon's Annotated Penal Code of Texas, is amended so as to read as follows:

"Sec. 2. (a) Any person, agent, receiver, trustee, firm, corporation, association or copartnership desiring to operate, maintain, open or establish a store or mercantile establishment in this State shall apply to the Comptroller of Public Accounts for a license so to do. The application for a license shall be made on a form which shall be prescribed and furnished by the Comptroller of Public Accounts and shall set forth the name of the

owner, manager, trustee, lessee, receiver, or other person desiring such license, the name of such store or mercantile establishment, the location, including the street number of such store, or mercantile establishment, and such other facts and information as the Comptroller of Public Accounts may require. If the applicant desires to operate, maintain, open or establish more than one such store or mercantile establishment, such applicant shall make application for a license to operate, maintain, open or establish each such store or mercantile establishment, but the respective stores or mercantile establishments for which the applicant desires to secure licenses may all be listed on one application blank.

"(b) It is hereby made the further duty of the Comptroller to collect, supervise, and enforce the collection of all license and application fees that may be due under the provisions of this Act and to that end the said Comptroller is hereby vested with all of the power and authority conferred by this Act. The Comptroller is further authorized and empowered to promulgate rules and regulations to provide for the collection of the amount of license and application fees due under the provisions of this Act and on the effective date of this Act.

"The Comptroller is hereby directed to determine the true ownership of any store or stores or establishments or departments, regardless of the name or operating name and collect the tax levied herein accordingly.

"(c) Each application shall be accompanied by a filing fee of One Dollar (\$1) for each store or mercantile establishment operated or to be operated for the purpose of defraying the cost of the administration of this Act and the same is hereby appropriated. This application shall be mailed to the Comptroller and accompanying the application and the application fee shall be the amount of license due under the provisions of this Act. Those applications not mailed and which require the visit of a member of the Comptroller's staff for the collection of the application fee or the license fee shall pay a service fee of Five Dollars (\$5) for each store.

"(d) Each application shall be signed and sworn to by the applicant as being true and correct, before an officer authorized to administer oaths, and may contain such other information as the applicant may wish to

include, or as the Comptroller may require."

Section 2. Section 4 of House Bill No. 18, Chapter 400, Forty-fourth Legislature, First Called Session, 1935, which is compiled as Section 4 of Article 1111d, Vernon's Annotated Penal Code of Texas, is amended so as to read as follows:

"Sec. 4. All licenses shall be so issued as to expire on the 31st day of December of each year. On or before the thirty-first day of December of each year every person, agent, receiver, trustee, firm, corporation, association, or copartnership having a license shall apply to the Comptroller of Public Accounts for a renewal license for the calendar year next ensuing. All applications for renewal licenses shall be made on forms which shall be prescribed and furnished by the Comptroller of Public Accounts. Each such application for a renewal license shall be accompanied by a filing fee of One Dollar (\$1) for each store or mercantile establishment operated or to be operated and by the license fee as prescribed in Section 5 of this Act. This application shall be mailed to the Comptroller and accompanying the application and the application fee, shall be the amount of license due under the provisions of this Act. Those applications not mailed and which require the visit of a member of the Comptroller's staff for the collection of the application fee or the license fee shall pay a service fee of Five Dollars (\$5) for each store. If the application is not received by the due date there shall be an added late fee of Fifty Cents (50c) on each application and a five per cent (5%) penalty added to the amount of the license fee."

Section 3. Section 5 and Section 5a of House Bill No. 18, Acts, Forty-fourth Legislature, First Called Session, 1935, Chapter 400, as amended, which are compiled as Sections 5 and 5a of Article 1111d, Vernon's Annotated Penal Code of Texas, are amended to read as follows:

"Sec. 5. (a) Every person, agent, receiver, trustee, firm, corporation, association or copartnership opening, establishing, operating or maintaining one or more stores or mercantile establishments within this State, under the same general management, or ownership, shall pay the license fees hereinafter prescribed for the privilege of opening, establishing, operating or maintaining such stores or

mercantile establishments. Every person, agent, receiver, trustee, firm, corporation, association and/or copartnership opening, establishing, operating and/or maintaining one or more stores or mercantile establishments within this State under the same general management and/or ownership and selling therein any equipment or appliances operated and/or used in connection with any electrical current and/or natural gas and/or artificial gas whether the same be in connection with the sale of electrical current and/or natural gas and/or artificial gas or not and whether such person, firm, agent, receiver, trustee, corporation, association and/or copartnership be also engaged in the business of furnishing some public utility services or not, shall pay the license fees herein prescribed for the privilege of opening, establishing, operating and/or maintaining such stores or mercantile establishments. The license fee herein prescribed shall be paid annually and shall be in addition to the filing fee prescribed in Sections 2 and 4 of this Act. Provided that the term 'store, stores, mercantile establishment, and mercantile establishments,' wherever used in this Act shall not include: any place or places where or from which nothing is sold except ice; any wholesale and/or retail lumber and/or building material place of business, provided as much as seventy-five per cent (75%) of the gross proceeds of the business done each preceding calendar year at such place of business is derived from the sale of lumber and/or building material, provided that the term 'building material' as used herein shall be construed to include any material which is used or usable in the construction of buildings, improvements or structures, including materials consumed in and any article to be built into and become a part of buildings, improvements or structures; also mechanics' hand tools used in the construction of buildings, improvements, or structures; and/or oil and gas well suppliers and equipment dealers; and any place of business commonly known as a gasoline filling station, service station, or gasoline bulk station or plant, provided as much as seventy-five per cent (75%) of the gross proceeds of the business done thereat is derived from the selling, storing, or distributing of petroleum products; or business now paying an occupation tax measured by gross receipts except as

otherwise specified in this Act; or any place or places of business used as bona fide wholesale or retail distributing points by manufacturing concerns for distribution of products of their own manufacture only; or any place or places of business used by bona fide processors of dairy products for exclusive sale at retail of such products; or any place or places of business commonly known as religious bookstores operated for the purpose of selling religious publications of any nature including Bibles, Song Books, Books upon Religious Subjects, Church Offering Envelopes, Church, Sunday School, and Training Union Supplies; or any restaurants, sandwich shops and other eating places; or any business operating for the purpose of parking automobiles, parking lots, garages; or any radio station; provided that gas and/or electric utilities shall not hereafter be required to pay any license fee under this Act for the privilege of operating in towns of three thousand (3,000) population or less according to the next preceding Federal Census, a store or stores for the purpose of selling gas and/or electrical appliances and/or parts for the repair thereof, provided as much as seventy-five per cent (75%) of the total gross receipts in the preceding calendar year in each such town where such a store or stores are located is derived from the sale therein of gas and/or electric service, and provided further that for the privilege of operating a store or stores in the towns of more than three thousand (3,000) population, according to the next preceding Federal Census, for the purpose of selling any or all of the above-named commodities, gas and/or electrical utilities shall pay only the fees imposed by Sections 2, 4 and 5 of this Act.

"(b) The license fees herein prescribed shall be as follows:

"1. Upon one (1) store the license fee shall be Four Dollars (\$4);

"2. Upon each additional store in excess of one (1) but not to exceed two (2), the license fee shall be Nine Dollars (\$9);

"3. Upon each additional store in excess of two (2), but not to exceed five (5), the license fee shall be Twenty-seven Dollars and Fifty Cents (\$27.50).

"4. Upon each additional store in excess of five (5), but not to exceed ten (10), the license fee shall be Fifty-five Dollars (\$55).

"5. Upon each additional store in excess of ten (10), but not to exceed twenty (20), the license fee shall be One Hundred and Sixty-five Dollars (\$165).

"6. Upon each additional store in excess of twenty (20), but not to exceed thirty-five (35), the license fee shall be Two Hundred and Seventy-five Dollars (\$275).

"7. Upon each additional store in excess of thirty-five (35), but not to exceed fifty (50), the license fee shall be Five Hundred and Fifty Dollars (\$550).

"8. Upon each additional store in excess of fifty (50), the license fee shall be Eight Hundred and Twenty-five Dollars (\$825).

"(c) All those establishments, except religious bookstores, exempted from the above schedule by this Act, shall file an application as required by Sections 2 and 4 of this Act. If they meet the requirements of this Act for exemption, they shall pay an exemption fee of Four Dollars (\$4) for one store and Nine Dollars (\$9) for each additional store in excess of one.

"(d) All fees listed above are for a period of twelve (12) months. Upon the issuance of any license after the first day of January of any one year for the remainder of the year, there shall be collected such fractional part of the license fee hereinabove fixed as the remaining months in the calendar year (including the month in which such license is issued) bears to the twelve (12) month period."

SECTION XVII

Section 1 of Senate Bill No. 141, Chapter 238 of Acts, Fiftieth Legislature, which is codified as Article 7047m, Vernon's Annotated Civil Statutes of Texas, be and the same is hereby amended, so as to read as follows:

"Section 1. Section 1 of Article XV of House Bill No. 8, Acts of the 47th Legislature, is hereby amended so as to read hereafter as follows:

"Section 1. There is hereby imposed and levied a tax as hereinafter provided on all sales; agreements to sell; or memoranda of sales; and all deliveries or transfers of shares; or certificates of stock; or certificates for rights to stock; or certificates of deposit representing an interest in or representing certificates made taxable under this Section in any domestic or foreign association, company, or corporation; or certificates of interest in

any business conducted by trustee or trustees made after the effective date hereof, whether made upon or shown by the books of the association, company, corporation, or trustee, or by any assignment in blank or by any delivery of any papers or agreements or memorandum or other evidence of sale or transfer or order for or agreement to buy, whether intermediate or final, and whether investing the holder with the beneficial interest in or legal title to such stock or other certificate taxable hereunder, or with the possession or use thereof for any purpose, or to secure the future payment of money or the future transfer of any such stock, or certificate, on each hundred dollars of face value or fraction thereof, \$0.033 except in cases where the shares or certificates are issued without designated monetary value, in which case the tax shall be at the rate of \$0.033 for each and every share. It shall be the duty of the person or persons making or effectuating the sale or transfer to procure, affix and cancel the stamps and pay the tax provided by this Article. It is not intended by this Article to impose a tax upon an agreement evidencing the deposit of certificates as collateral security for money loaned thereon, which certificates are not actually sold, nor upon such certificates so deposited, nor upon transfers of such certificates to the lender or to a nominee of the lender or from one nominee of the lender to another, provided the same continue to be held by such lender or nominee or nominees as collateral security as aforesaid; nor upon the retransfer of such certificates to the borrower; nor upon transfers of certificates from a fiduciary to a nominee of such fiduciary, or from one nominee of such fiduciary to another, provided the same continue to be held by such nominee or nominees for the same purpose for which they would be held if retained by such fiduciary, or from the nominee to such fiduciary; nor upon mere loans of stock or certificates, or the return thereof; nor upon deliveries or transfers to a broker for sale; nor upon deliveries or transfer by a broker to a customer for whom and upon whose order he has purchased the same, but transfers to the lender, or to a nominee or nominees as aforesaid, or retransfers to the borrower or fiduciary; and deliveries or transfers to a broker for sale, or by a broker to a customer for whom and upon whose order he

has purchased the same shall be accompanied by a certificate setting forth the fact; nor upon transfers or deliveries made pursuant to an order of the Federal Securities and Exchange Commission which specifies and itemizes the securities ordered by it to be delivered or transferred (provided that this exemption shall not apply to such transfers or deliveries made before the passage of this Act); nor upon record transfers following such transfers or deliveries; nor in respect to shares or certificates of stock or certificates of rights to stocks, or certificates of deposit representing certificates of the character taxed by this Article, in any domestic association, company, or corporation, if neither the sale, nor the order for, nor agreement to buy, nor the agreement to sell, nor the memorandum of sale, nor the delivery is made in this State and when no act necessary to effect the sale or transfer is done in this State. The payment of such tax shall be denoted by an adhesive stamp or stamps affixed as follows: In the case of a sale or transfer, where the evidence of the transaction is shown only by the books of the association, company, corporation, or trustee, the stamp shall be placed upon such books, and it shall be the duty of the person making or effectuating such sale or transfer to procure and furnish to the association, company, corporation, or trustee the requisite stamps, and of such association, company, corporation, or trustee to affix and cancel the same. Where the transaction is effected by the delivery or transfer of a certificate the stamp shall be placed upon the surrendered certificate and cancelled; and in cases of an agreement to sell, or where the sale is effected by delivery of the certificate assigned in blank, there shall be made and delivered by the seller to the buyer, a bill or memorandum of such sale, to which the stamp provided for by this Article shall be affixed and canceled; provided, however, that such bill or memorandum may be made in duplicate and the stamp provided for by this Article may be affixed to a duplicate of such bill or memorandum and cancelled; and such duplicate of such bill or memorandum may be kept by the party making such sale in his possession, provided that he shall enter upon the original of such bill or memorandum a date and number showing that such bill or memorandum was made in duplicate and that the

stamp was affixed to the duplicate thereof retained by the seller. Every such bill or memorandum of sale or agreement to sell shall show the date of the transaction which it evidences, the name of the seller, the stock, or other certificate, to which it relates, and the number of shares thereof. All such bills or memoranda of sale shall bear a number upon the face thereof and no more than one such bill or memorandum of sale made by the seller on any given day shall bear the same number. The aforesaid identification number of the bill or memorandum of sale shall in all cases be entered and recorded in a book of account."

SECTION XVIII

Section 1 of House Bill No. 472, Chapter 620 of Acts, Fifty-first Legislature, which is codified as Article 7064a, Vernon's Annotated Civil Statutes of Texas, be and the same is hereby amended, so as to read as follows:

"Section 1. Every group of individuals, society, association, or corporation (all of which shall be deemed included in the term 'insurance organization' wherever used in this Act) organized under the laws of this State and transacting the business of life insurance, personal accident insurance, life and accident insurance, or health and accident insurance for profit, or for mutual benefit, or protection in this State shall on or before the first day of March of each year file its annual statement showing the gross amount of premiums collected during the year ending December 31st, preceding, from persons residing or domiciled in this State on policies of insurance, and showing in separate columns the first-year premiums and the renewal premiums collected on such Texas policies, and each such insurance organization, except local mutual aid associations, fraternal benefit societies, and fraternal insurance associations or societies that limit their membership to one (1) occupation, shall pay an annual tax of 1.1% of the gross amount of premiums collected during such year from persons residing or domiciled in the State of Texas on policies of insurance. Each such insurance organization shall also report to the Board of Insurance Commissioners on or before the first day of March of each year the amount that it had invested on the 31st day of December, preceding, in Texas securities as defined by Article 4766

of the Revised Civil Statutes of Texas, 1925, as amended; provided, however, that all such insurance companies whose gross premium receipts are less than Four Hundred and Fifty Thousand Dollars (\$450,000.00) for the preceding year ending December 31st, wherever and irrespective of from whom collected, according to its annual statement which shall disclose such information, shall pay a tax of 55/80 of 1% of the gross amount of premiums collected during such year from persons residing or domiciled in the State of Texas except as to first-year premiums as provided herein; provided, however, that the gross premium taxes herein imposed shall not be applicable to first-year premiums; and provided further that where any policy is written on a term plan only the premium collected during the first year shall be deducted on such policy or any renewal, extension or substitution thereof by the company issuing such term policy, and provided further that the amount of all examination and valuation fees paid in such taxable year to or for the use of the State of Texas by any insurance organization hereby affected shall be allowed as a credit on the amount of premium taxes to be paid by any such insurance organization for such taxable year. Such gross premium receipts so reported shall not include premiums received from other licensed companies for reinsurance of business in Texas and there shall be no deduction for premiums paid for reinsurance. If any such insurance organization does more than one (1) kind of insurance business, then it shall pay the tax herein levied upon the gross premiums on each kind of insurance written. The report of the gross premium receipts and the invested assets shall be made upon the sworn statement of two (2) principal officers.

"Upon receipt by it of the sworn statement above provided, the Board of Insurance Commissioners shall certify to the State Treasurer the amount of taxes due by such insurance organization which shall be paid to the State Treasurer on or before the fifteenth day of March, following, and the State Treasurer shall issue his receipt therefor as evidence of the payment of such tax. Such taxes shall be for and on account of business transacted within this State during the calendar year ending December 31st, in which such premiums were col-

lected, or for that portion of the year during which the insurance organization transacted business in this State. The taxes aforesaid shall constitute all taxes and license fees collectible under the laws of this State from any such insurance organization, organized under the laws of this State, except, and only except unemployment compensation taxes levied under Senate Bill No. 5, passed at the Third Called Session of the Forty-fourth Legislature and amendments thereto; and the fees provided for under Article 3920 of the Revised Civil Statutes of Texas, 1925, and amendments thereto; and in the case of companies operating under Article 4742 of the Revised Civil Statutes of Texas, 1925, the deposit fees prescribed by that Article and amendments thereto; and in case of companies writing workman's compensation insurance, the taxes otherwise provided by law on account of such business; and no other taxes shall be levied or collected by the State or any county, city or town except State, county, and municipal ad valorem taxes upon real or personal properties of such insurance organization.

"Section 2. Section 2 of Article XVII of House Bill No. 3, Acts of the First Called Session of the Fifty-first Legislature, (which is codified as Article 7064a-1, Vernon's Annotated Civil Statutes of Texas) is hereby repealed insofar and only insofar as it levies a tax on premium receipts for the year 1951."

SECTION XIX

Paragraph (1) of Section 1 of Article IV of House Bill No. 8, Chapter 184 of Acts, Forty-seventh Legislature, which is codified as Article 7070, Vernon's Annotated Civil Statutes of Texas, be and the same is hereby amended, so as to read as follows:

"(1) Each individual, company, corporation, or association owning, operating, managing, or controlling any telephone line or lines, or any telephones within this State and charging for the use of same, shall make quarterly, on the first day of January, April, July, and October of each year, a report to the Comptroller, under oath of the individual, or of the president, treasurer, or superintendent of such company, corporation, or association, showing the gross amount received from all business within this State during the preceding quarter in the payment of charges for the use of its line or lines, telephone and telephones, and from the lease or use

of any wires or equipment within this State during said quarter. Said individuals, companies, corporations, and associations, at the time of making said report, shall pay to the State Treasurer, and there is hereby levied upon said individuals, companies, corporations, and associations, an occupational tax for the quarter beginning on said date, equal to 1.65% of the gross receipts, as shown by said report, received from doing business outside of incorporated cities and towns and within incorporated cities and towns of less than two thousand, five hundred (2,500) inhabitants, according to the last preceding Federal Census; an occupation tax for the quarter beginning on said date, equal to 1.925% of said gross receipts, as shown by said report, received from doing business within incorporated cities and towns of more than two thousand, five hundred (2,500) inhabitants, and not more than ten thousand (10,000) inhabitants, according to the last preceding Federal Census; an occupation tax for the quarter beginning on said date, equal to 2.5025% of said gross receipts, as shown by said report, received from doing business within incorporated cities and towns of more than ten thousand (10,000) inhabitants, according to the last preceding Federal Census. Nothing herein shall apply to any telephone line or lines owned and operated by a cooperative, non-profit, membership corporation."

SECTION XX

Section 22 of House Bill No. 84, Chapter 543, Acts, Fifty-first Legislature, which is codified as Article 667-23, Vernon's Annotated Penal Code of Texas, be and the same is hereby amended, so as to read as follows:

"Sec. 22. Section 23 of Article II, of the Texas Liquor Control Act, as amended, is hereby amended so as to read as follows:

"Section 23. There is hereby levied and assessed a tax at the rate of \$1.37 per barrel on the first sale of all beer manufactured in Texas and on the importation of all beer imported into this state."

SECTION XXI

Section 1 of House Bill No. 471, Chapter 619 of Acts, Fifty-first Legislature, being codified as Article 4769, Vernon's Annotated Civil Statutes, be and the same is hereby amended so as to read as follows:

"Section 1. Every group of individuals, society, association or corporation (all of which shall be deemed included in the term 'insurance organization' wherever used in this Act) not organized under the laws of this State and transacting the business of life insurance, personal accident insurance, life and accident insurance, or health and accident insurance for profit, or for mutual benefit, or protection in this State shall on or before the first day of March of each year file its annual statement showing the gross amount of premiums collected during the year ending December 31st, preceding, from persons residing or domiciled in this State on policies of insurance, and showing in separate columns the first-year premiums and the renewal premiums collected on such Texas policies, and each such insurance organization, except local mutual aid associations, fraternal benefit societies, and fraternal insurance associations or societies that limit their membership to one (1) occupation shall pay an annual tax of 3.3% of the gross amount of premiums collected during such year from persons residing or domiciled in the State of Texas on policies of insurance. Each such insurance organization shall also report to the Board of Insurance Commissioners on or before the first day of March of each year the amount that it had invested on the 31st of December, preceding, in Texas securities as defined by Article 4766 of the Revised Civil Statutes of Texas, 1925, as amended, and the amount that it had invested on said date in similar securities in the State in which it had its highest percentage of admitted assets invested, and in computing the amount of such investments it shall include as a part thereof that percentage of its investments in bonds of the United States of America that its reserves on policies of insurance issued on the lives of persons residing or domiciled in Texas are of its total reserves on all policies outstanding, but in no event shall it include any amount of such bonds in excess of the amount thereof reported by said company as Texas securities in its Texas tax return covering the year 1946. If the report of such insurance organization as of December 31, preceding, shows that such organization, had invested in such Texas securities an amount which is more than seventy-five per cent (75%) and not more than eighty per cent (80%) of the

amount that it had invested in similar securities in the State in which it then had the highest percentage of its admitted assets invested, its tax shall be 3.025% of such gross premium receipts; if the report shows that such insurance organization had invested in such Texas securities on such date an amount which is more than eighty per cent (80%) and not more than eighty-five per cent (85%) of the amount that it had invested in similar securities in the State in which it then had the highest percentage of its admitted assets invested, its tax shall be 2.75% of such gross premium receipts; if the report shows that such insurance organization had invested in such Texas securities on such date an amount which is more than eighty-five per cent (85%) and not more than ninety per cent (90%) of the amount that it had invested in similar securities in the State in which it then had the highest percentage of its admitted assets invested, its tax shall be 2.2% of such gross premium receipts; if the report shows such insurance organization had invested in such Texas securities on such date an amount which is in excess of ninety per cent (90%) of the amount that it had invested in similar securities in the State in which it then had the highest percentage of its admitted assets invested, its tax shall be 1.925% of such gross premium receipts; provided, however, that all such insurance companies whose gross premium receipts are less than Four Hundred and Fifty Thousand Dollars (\$450,000) for the preceding year ending December 31st, wherever and irrespective of from whom collected, according to its annual statement which shall disclose such information, shall pay a tax of 55/80 of 1% of the gross amount of premiums collected during such year from persons residing or domiciled in the State of Texas except as to first-year premiums as provided herein; provided, however, that the gross premium taxes herein imposed shall not be applicable to first-year premiums; and provided further that where any policy is written on a term plan only the premium collected during the first year shall be deducted on such policy or any renewal, extension or substitution thereof by the company issuing such term policy, and provided further that the amount of examination and valuation fees paid in such taxable

year to or for the use of the State of Texas by any insurance organization hereby affected shall be allowed as a credit on the amount of premium taxes to be paid by any such insurance organization for such taxable year. Such gross premium receipts so reported shall not include premiums received from other licensed companies for reinsurance of business in Texas and there shall be no deduction for premiums paid for reinsurance. If any such insurance organization does more than one (1) kind of insurance business, then it shall pay the tax herein levied upon the gross premiums on each kind of insurance written. The report of the gross premium receipts and the invested assets shall be made upon the sworn statement of two (2) principal officers.

"Upon receipt by it of the sworn statement above provided, the Board of Insurance Commissioners shall certify to the State Treasurer the amount of taxes due by such insurance organizations which shall be paid to the State Treasurer on or before the fifteenth day of March, following, and the State Treasurer shall issue his receipt therefor as evidence of the payment of such tax. Such taxes shall be for and on account of business transacted within this State during the calendar year ending December 31st, in which such premiums were collected, or for that portion of the year during which the insurance organization transacted business in this State. The taxes aforesaid shall constitute all taxes and license fees collectible under the laws of this State from any such insurance organization, not organized under the laws of this State, except, and only except unemployment compensation taxes levied under Senate Bill No. 5, passed at the Third Called Session of the Forty-fourth Legislature and amendments thereto; and the fees provided for under Article 3920 of the Revised Civil Statutes of Texas, 1925, and amendments thereto; and in the case of companies operating under Article 4742 of the Revised Civil Statutes of Texas, 1925, the deposit fees prescribed by that Article and amendments thereto; and in case of companies writing workman's compensation insurance, the taxes otherwise provided by law on account of such business; and no other taxes shall be levied or collected by the State or any county, city, or town, except State, county and municipal ad va-

lorem taxes upon real or personal properties of such insurance organizations.

"Section 2. Section 3 of Article XVII of House Bill No. 3, Acts of the First Called Session of the Fifty-first Legislature, (which is codified as Article 4769 $\frac{1}{2}$, Vernon's Annotated Civil Statutes of Texas) is hereby repealed insofar and only insofar as it levies a tax on premium receipts for the year 1951."

SECTION XXII

Section 1. That Section 1, Article XVII of Chapter 184, Acts of the Regular Session of the Forty-seventh Legislature, be and the same is hereby amended to read hereafter as follows:

"Section 1. The following words, terms and phrases shall, for all purposes of this Article, be defined as follows:

"(a) 'Motor fuel' shall mean and include any volatile or inflammable liquid by whatever name such liquid may be known or sold, with a flash point of one hundred and twelve (112) degrees Fahrenheit or below, according to the United States official closed testing cup method of the United States Bureau of Mines, which is used or is capable of being used, either alone or when blended, mixed, or compounded for the purpose of generating power for the propulsion of any internal combustion engines or any motor vehicles. The term 'motor fuel' shall not however, include the fuels hereinafter defined as 'liquefied gas' or 'other liquid fuels', upon which products taxes are levied by Section 14 of this Article, and which fuels are hereinafter referred to as 'special fuels'.

"(b) 'Liquefied gas' shall mean and include all combustible gases which liquefy at certain temperatures and pressures, but which exist in the gaseous state at sixty (60) degrees Fahrenheit, and at a pressure of fourteen and seven-tenths (14.7) pounds per square inch absolute.

"(c) 'Other liquid fuels' shall mean any liquid petroleum products, or substitute therefor, having a flash point above one hundred and twelve (112) degrees Fahrenheit, according to the United States official closed testing cup method of the United States Bureau of Mines, including diesel fuel, kerosene, distillate, condensate, or similar products that may be used as fuel to generate power for the propul-

sion of motor vehicles upon the highways of this State.

"(d) 'Special fuels' shall mean and include 'liquefied gas,' or 'other liquid fuels,' as those products are hereinabove defined, or said term shall mean both of said products where the context clearly indicates that a combination of the two products is intended.

"(e) 'Motor vehicle' shall mean and include any automobile, truck, tractor, bus, vehicle, engine, machine, mechanical contrivance, or other conveyance which is propelled by an internal combustion engine or motor.

"(f) 'Vehicle tanks' shall mean an assembly used for the transportation, hauling, or delivery of liquids, comprising a tank, which may be one compartment or may be subdivided into two (2) or more compartments, mounted upon a wagon, automobile, truck, or trailer, together with its accessory piping, valves, meter, etc. The term 'compartment' shall be construed to mean the entire tank whenever this is not subdivided; otherwise, it shall mean any one of those subdivided portions of the tank which is designed to hold liquid.

"(g) 'Distributor' shall mean and include every person in this State who refines, distills, manufactures, produces, blends, or compounds motor fuel or blending materials, or in any other manner acquires or possesses motor fuel or blending materials for the purpose of making a first sale, use, or distribution of the same in this State; and it shall also include every person in this State who ships, transports, or imports any motor fuel or blending materials into this State and makes the first sale, use, or distribution of same in this State; the said term shall also include every person in this State who produces or collects the liquid residuum of natural gas, commonly known as drip gasoline, or who is responsible for the production or formation of said drip gasoline, intentionally or otherwise, unless said product is totally destroyed or rendered neutral as motor fuel or as a product capable of use as motor fuel in this State.

"(h) 'User-dealer' shall mean and include any distributor, dealer, or other person selling and delivering special fuels in this State into the fuel tank of any motor vehicle for use in propelling said motor vehicle upon the public highway of Texas; the said term shall also mean and include any

distributor, dealer, or other person who shall acquire any special fuels tax free and use it or deliver it into a fuel tank for use to propel motor vehicles operated by said distributor, dealer or other person upon the public highway of Texas.

"(i) 'Distribution' shall mean and include any transaction, other than a sale, in which ownership or title to motor fuel, or any derivative of crude oil or natural gas, passes from one person to another.

"(j) 'Person' shall mean and include every individual, firm, association, joint stock company, syndicate, co-partnership, corporation (public, private, or municipal), trustee, agency, or receiver.

"(k) 'Dealer' shall mean and include every person other than a distributor who engages in the business in this State of distributing or selling motor fuel within this State.

"(l) 'Public highway' shall mean and include every way or place of whatever nature open to the use of the public as a matter of right for the purpose of vehicular travel, and notwithstanding that the same may be temporarily closed for the purpose of construction, maintenance, or repair.

"(m) 'Comptroller' shall mean Comptroller of Public Accounts of the State of Texas.

"(n) 'First Sale' shall mean the first sale or distribution in this State of motor fuel refined, blended, imported into, or in any other manner, produced in, acquired, or brought into this State.

"(o) 'Refund Motor Fuel' shall mean motor fuel used, sold or disposed of for any purpose for which a refund of the tax paid thereon is authorized by law. And any motor fuel so used or disposed of shall be construed to have been used or disposed of for 'refund purposes.'

"(p) 'Refund Dealer' shall mean any dealer, distributor, or other person who engages in the selling of refund motor fuel, or who appropriates for his own use and consumption motor fuel on which a refund of the tax paid on such motor fuel is authorized by this Article."

Section 2. That Subsection (d) of Section 2, Article XVII of Chapter 184, Acts of the Regular Session of the Forty-seventh Legislature, be and the same is hereby amended to read hereafter as follows:

"(d) No tax shall be imposed upon the sale, use, or distribution of any motor fuel, the imposing of which would constitute an unlawful burden on interstate commerce, and no tax shall be imposed upon the sale of any motor fuel for export from the State of Texas (including both sales in interstate and foreign commerce) where the motor fuel is delivered to a common carrier, ocean-going vessel (including ship, tanker or boat), or a barge, and is moved forthwith outside of this State. Provided however, that the Comptroller may require satisfactory evidence of any such sale, use, distribution or delivery. In the event this Article is in conflict with the Constitution of the United States or any Federal law, with respect to the tax levied upon the first sale, distribution, or use of motor fuel in this State, then it is hereby declared to be the intention of this Article to impose the tax levied herein upon the first subsequent sale, distribution, or use of said motor fuel which may be subject to being taxed."

Section 3. That Subsection (a) of Section 3, Article XVII of Chapter 184, Acts of the Regular Session of the Forty-seventh Legislature, be and the same is hereby amended to read hereafter as follows:

"(a) Every distributor who shall be required to collect the tax levied by this Article upon the first sale or distribution of motor fuel in this State, or who shall be required to pay the tax levied herein upon motor fuel used by said distributor, shall upon the 25th day of each calendar month remit or pay over to the State of Texas at the office of the Comptroller at Austin, Travis County, Texas, the amount of such tax required to be collected during the calendar month next preceding and the amount of such tax required to be paid upon motor fuel used by said distributor during said preceding calendar month, and at the same time, such distributor shall make and deliver to the Comptroller at his office in Austin, Travis County, Texas, a report properly sworn to and executed by such distributor, or his representative in charge, which shall show the date said report was executed, the name and address of said distributor, and the month which the report covers, and which report shall show separately by gallons the motor fuel on hand at the beginning and at the end of the month, and complete information of

all motor fuel handled during the month, including motor fuel purchased or received in interstate commerce, motor fuel purchased or received in intrastate commerce, reflecting separately the quantity received with the tax paid and the quantity received without the tax having been paid, motor fuel refined, motor fuel acquired by blending, motor fuel sold in interstate commerce, motor fuel sold in intrastate commerce, motor fuel sold and exported, motor fuel sold to the United States Government, motor fuel sold to a distributor for further refining, processing, blending, or for exportation upon which no tax was collected, motor fuel lost by fire or other accident, motor fuel lost by refinery shrinkage, evaporation, or other losses, and motor fuel used and consumed by the distributor and his representatives. The said report shall also show complete information by gallons of all blending materials purchased, acquired, sold, used, and lost by fire or otherwise, during the month the report covers, and the beginning and ending inventories of such blending materials. Said report shall also show a complete record of the number of barrels of crude oil refined and the number of cubic feet of gas processed. Provided that where a qualified distributor has not sold, used, or distributed any motor fuel during any month or part thereof, he shall nevertheless file with the Comptroller the report required herein setting forth such fact or information. Provided further, that the Comptroller may prepare and furnish a form prescribing the order in which the information required herein shall be set up on said monthly report, but the failure of any distributor to obtain such form from said Comptroller shall be no excuse for the failure to file a report containing all the information required to be reported herein. Every distributor, at the time of making said report, shall attach legal tender thereto or make proper form of money order or exchange payable to the State Treasurer in the amount of tax for the period covered by the report."

Section 4. That Section 13, Article XVII of Chapter 184, Acts of the Regular Session of the Forty-seventh Legislature, as amended by Chapter 298, Acts of the Regular Session of the Forty-eighth Legislature, be and the same is hereby amended to read hereafter as follows:

"Section 13. (a) In all refund

claims filed under this section the burden shall be on the claimant to furnish sufficient and satisfactory proof to the Comptroller of the claimant's compliance with all provisions of this Article; otherwise, the refund claim shall be denied.

"(b) Any person, (except as hereinafter provided) who shall use motor fuel for the purpose of operating or propelling any stationary gasoline engine, motor boat, aircraft, or tractor used for agricultural purposes, or for any other purpose except in a motor vehicle operated or intended to be operated upon the public highway of this State, and who shall have paid the tax imposed upon said motor fuel by this Article, either directly or indirectly, shall, when such person has fully complied with all provisions of this Article and the rules and regulations promulgated by the Comptroller, be entitled to reimbursement of the tax paid by him less one per cent (1%) allowed distributors for collecting and remitting the tax and complying with other provisions of the law. Provided, however, no tax refund shall be paid to any person on motor fuel used in any construction or maintenance work which is paid for from any State funds to which motor fuel tax collections are allocated or which is paid jointly from any such State funds and Federal funds, except that when such fuel is used in maintenance of way machines, or other equipment of a railroad, operated upon stationary rails or tracks, then such railroad shall be entitled to a tax refund on such fuel.

"(c) Any person desiring to sell to others, or to appropriate for his own use, refund motor fuel as defined herein, shall make separate application to the Comptroller for each separate place of business from which refund motor fuel will be sold, or appropriated for use, for a refund dealer's license to sell or appropriate such product and it shall be unlawful to issue an invoice of exemption covering the sale or appropriation of refund motor fuel without possessing a valid refund dealer's license. The Comptroller shall make such examination of each application for license and the applicant therefor as he deems necessary and if in his opinion the applicant is qualified to perform the duties required of a refund dealer and is otherwise entitled to the license applied for, a non-transferable license shall be issued by the Comptroller for the place of business

named in the application. Each license so issued shall be continuous in force and effect until such time as the Comptroller shall require a renewal thereof, or until such license shall be terminated by the licensee or revoked or suspended by the Comptroller as provided by law.

"No refund of the tax paid on any motor fuel shall be granted unless such motor fuel has been purchased from, or appropriated and used by, a refund dealer holding a valid license at the time of such purchase or use, except upon motor fuel exported, lost by accident, or purchased by the United States Government for its exclusive use.

"Every refund dealer shall be required to maintain the records required of a dealer by Section 10 of this Article, and in addition each such refund dealer shall keep for a period of two years for the inspection of the Comptroller and the Attorney General or their authorized representatives, the original copy of each invoice of exemption issued by such dealer. The license number of the refund dealer shall be inserted in the space provided on each invoice of exemption issued by him.

"The Comptroller shall have the authority and it shall be his duty to revoke or suspend the license or licenses of any refund dealer who violates or fails or refuses to comply with any provision of this Article or any rule and regulation duly promulgated by the Comptroller. In the event the Comptroller revoked or suspends a license, the said license and all unissued invoices of exemption assigned to the dealer for said license shall be surrendered by the licensee to the Comptroller forthwith.

"(d) When motor fuel is ordered or purchased for refund purposes the purchaser or recipient thereof shall state the purpose for which such motor fuel will be used or is intended to be used, and shall request an invoice of exemption which shall be made out by the selling refund dealer at the time of such delivery, or, if the motor fuel is appropriated for use by a refund dealer it shall be made out at the time the motor fuel is appropriated or set aside for refund purposes. The invoice of exemption shall state: the refund dealer's license number; the date of purchase and the date of delivery; the names and addresses of the purchaser and the selling dealer; the purpose for which such motor fuel will be used or is intended to be used;

the number of gallons delivered, or appropriated for use; and any other information the Comptroller may prescribe. No refund shall be allowed unless an invoice of exemption is made out at the time of delivery, except as hereinafter provided. If it be shown by evidence sufficient and satisfactory to the Comptroller that an invoice of exemption had been duly requested by a purchaser of refund motor fuel or his agent at the time of the purchase or delivery and that its failure to be issued was through no fault of the claimant, then the Comptroller may, if he finds the motor fuel has been used for refund purposes, issue warrant in payment of the claim.

"The invoice of exemption shall be made out and executed in duplicate by the refund dealer, the duplicate of which shall be delivered to the purchaser of the motor fuel and the original shall be retained by the refund dealer at the place of business designated on his license for the time and in the manner herein provided. Each invoice of exemption shall be signed by the refund dealer and the person who purchases the motor fuel for refund purposes or a duly authorized employee or agent of said dealer or purchaser. But if neither the purchaser of the motor fuel nor an agent is present to sign the invoice of exemption at the time of delivery, the refund dealer shall mail or deliver the duplicate invoice of exemption to the purchaser within seven (7) days after delivery of the motor fuel.

"(e) It shall be unlawful for any refund dealer, or any employee thereof, to prepare or notarize any claim for refund of tax paid on motor fuel purchased from said refund dealer, or to act in any capacity as agent or employee of any claimant for refund of tax paid on motor fuel purchased from said refund dealer by keeping his books, records, refund claim forms or other documents to be used or intended for use by said claimant in the preparation of his tax refund claim, and the Comptroller shall not approve the payment of any tax refund claim, in whole or in part, in which the claimant has permitted the seller of the motor fuel upon which tax refund is claimed, or any employee of said seller, to prepare, notarize or file his claim for tax refund, or to keep any books, records or documents used in the preparation or filing of said claim. Provided that the Comptroller may, after proper hearing as herein provided, cancel, sus-

pend, or refuse the issuance or reinstatement of the license of any refund dealer who shall prepare or notarize, or who shall permit any employee to prepare or notarize, any claim for refund of tax paid on motor fuel purchased from said refund dealer by the claimant thereof, or who shall keep, or permit any employee to keep, any duplicate invoice of exemption for more than seven (7) days after it has been duly issued to a purchaser of refund motor fuel.

"(f) Any person entitled to file claim for tax refund under the terms of this Article shall file such claim with the Comptroller on a form prescribed by the Comptroller within six (6) months from the date the motor fuel was delivered to him, or from the date the motor fuel was lost, exported or sold to the United States Government, and no refund of tax shall ever be made where it appears from the invoice of exemption, or from the affidavits or other evidence submitted, that the sale or delivery of the motor fuel was made more than six (6) months prior to the date the refund claim was actually received in the Comptroller's office. The refund claim, with all duplicate invoices of exemption required by law to be issued with the sale of refund motor fuel included as a part of said claim, shall be verified by affidavit of the claimant, or a duly authorized agent of the claimant, and shall show the quantity of refund motor fuel acquired and on hand at the beginning and closing dates of the period covered in the refund claim filed.

"If any claimant was not present when the refund motor fuel was used for any purpose, except in machines operated upon stationary rails or tracks, the Comptroller may require such additional affidavits as he may deem necessary to prove the correctness of the claim, from persons who were present and used or supervised the using of the refund motor fuel. The claim for tax refund shall include a statement that the information shown in each duplicate invoice of exemption attached to the tax refund claim is true and correct, and that deductions have been made from the tax refund claim for all motor fuel used on the public highway of Texas and for all motor fuel used or otherwise disposed of in any manner in which a tax refund is not authorized herein. If upon examination, and such other investigation as may be deemed necessary, the Comptroller

finds that the claim filed for tax refund is just, and that the taxes claimed have actually been paid by the claimant, then he shall issue warrant due the claimant but no greater amount shall be refunded than has been paid into the State Treasury on any motor fuel, and no warrant shall be paid by the State Treasurer unless presented for payment within two years from the close of the fiscal year in which such warrant was issued, but claim for the payment of such warrant may be presented to the Legislature for appropriation to be made from which said warrant may be paid.

"If the refund motor fuel for which tax refund is claimed was used on a farm or ranch or for any agricultural purpose the claim shall show the make, model, and year of manufacture of each tractor, combine and other vehicle in which any refund motor fuel included in the claim was used and the actual work performed, showing the different kinds of crops planted and the acreage used or set aside for each crop, during the period of the refund claim, and showing complete information of all other work performed by each such tractor, combine or other vehicle used by the claimant during the period of the claim. The claim shall likewise show the make, kind and horsepower of each stationary engine or motor in which refund motor fuel was used by the claimant and the purposes for which it was used, and if any of the motor fuel included in the claim was used other than in the operation of motors or engines, the claim shall show complete information as to the manner of use and the purpose for which the motor fuel was used. The claim shall also state the number of automobiles, trucks, pickups and other licensed vehicles operated regularly by the claimant or his employees, on or in connection with the farm, ranch or other agricultural project, and shall show the name and address of the dealer or dealers from whom taxable motor fuel was purchased for use in such licensed vehicles during the period of the claim.

"If the refund motor fuel was used in mining, quarrying, drilling, producing, exploring for minerals, or in construction, maintenance, repair work or in other functions similar to the above uses, a distribution schedule, or such other information as the Comptroller may require, shall be attached to and filed as a part of the

refund claim which shall show the quantities of motor fuel delivered to and consumed in each vehicle or other unit of equipment used in such work during the period of the claim; provided, however, that no schedules shall be required to show the quantities of motor fuel used in machines operated upon stationary rails or tracks.

"If the refund motor fuel was used in aircraft or motor boats, the claim shall show the make and description of such aircraft or motor boat and the quantities of motor fuel used during the period of the refund claim.

"If the refund motor fuel was used for cleaning, or dyeing or for industrial or domestic purposes, or as converted into a product other than motor fuel by any manufacturing or blending process, the claim shall show the purpose or purposes for which the motor fuel was used and the quantity used for each separate purpose.

"It shall be the duty of every person claiming tax refund to verify the contents of the claim filed and any such person who shall file claim for tax refund on any motor fuel which has been used to propel a motor vehicle, tractor or other conveyance upon the public highways of Texas for any purpose for which a tax refund is not authorized herein, or who shall file any duplicate invoice of exemption in a claim for tax refund on which any date, figure or other material information has been falsified or altered after said duplicate invoice of exemption has been duly issued by the refund dealer and delivered to the claimant, shall forfeit his right to the entire amount of the refund claim filed.

"(g) No tax refund shall be paid on motor fuel used in automobiles, trucks, pickups, jeeps, station wagons, buses, or similar motor vehicles designed primarily for highway travel, which travel both on and off the highway except as hereinafter provided. (a) If any such motor vehicles are used entirely for non-highway purposes except when propelled over the public highway to obtain repairs, oil changes, or similar mechanical or maintenance services, or when propelled over the public highway for other incidental purposes, or (b) if any such motor vehicles are operated exclusively during the period covered in any refund claim over prescribed courses lying between fixed terminals or bases, in which such vehicles travel the same mileage on the highway on

each trip and the same mileage off the highway on each such trip, then in such cases a tax refund claim may be approved for the motor fuel used off the public highway in such vehicles, only when the claimant has kept a complete record of each trip traveled over any part of the public highway showing the date, the highway mileage traveled and the quantity of motor fuel used in each of said vehicles during the period of such travel.

"Any claimant who owns or operates more than one farm, ranch, or similar tract of land in the same vicinity, may move his farm tractors over the public highway for the purpose of transferring the base of operation of such tractors from one such farm, ranch, or other similar tract of land, to another, without measuring and deducting the refund motor fuel used in such incidental highway travel from his claim for tax refund. Motor fuel consumed in any tractor traveling more than ten miles on the public highway during any one trip, shall not be construed to have been used for incidental purposes and shall not be subject to tax refund thereon, and motor fuel consumed in any tractor used in transporting produce, goods, wares, or other commodities or merchandise over the public highway, or consumed in any tractor used in custom work for others, or consumed in any tractor used upon the public highway for any purpose other than in moving said tractor from its base of operation on one farm, ranch, or other similar tract of land, to another within the limitations described hereinabove, shall be deducted, in the full amount so used, from any claim for tax refund filed by the user of said motor fuel.

"A claimant may account for any part of refund motor fuel used upon the public highway, and not eligible for tax refund, by one of the following methods: (1) In motor vehicles which operate exclusively off the public highway except for incidental highway travel as described above, a claimant may drain all refund motor fuel from the fuel tank of any such motor vehicle, tractor or other conveyance before it moves upon the public highway, and then refill it with accurately measured motor fuel, which shall be deducted from the refund motor fuel set up in the claim if said fuel tank is refilled with refund motor fuel, or (2) claimant may, by accurately measuring the mileage any such ve-

hicle, tractor or other conveyance travels upon the public highway, deduct from the refund motor fuel set up in the claim, an amount equal to one-fourth ($\frac{1}{4}$) of a gallon for each mile or fraction of a mile any such motor vehicle, tractor or other conveyance travels on the public highway during the period of the claim, or (3) the Comptroller may prescribe regulations to permit any claimant who operates motor vehicles or other conveyance exclusively over prescribed courses lying between fixed terminals or bases in which the vehicles travel the same mileage on the public highway on each trip and the same mileage off the highway on each such trip, to keep a record of the total miles traveled and the total quantity of accurately measured motor fuel consumed by each such vehicle during the period of the claim, from which the claimant may, for tax refund purposes, be permitted to calculate and determine the quantities used off the highway upon a basis of the average miles per gallon traveled by each such vehicle, or (4) if claimant uses any part of refund motor fuel purchased on invoice of exemption in motor vehicles which operate regularly on the public highway in which no part of the motor fuel used is eligible for tax refund, he shall keep a complete record showing the date of each separate use or withdrawal for use, the make and description of the vehicle in which used, and the quantity so used, as measured through any type measuring device or standard measuring container acceptable to the Comptroller, and the quantity so used shall be deducted from the refund motor fuel set up in the claim filed by said claimant, or the Comptroller may in his discretion permit any claimant who has kept proper record to deduct from the refund motor fuel set up in his claim, a quantity equal to the true capacity of the fuel tank of the vehicle using any part of such refund motor fuel on the highway, each time such fuel tank is filled or serviced with refund motor fuel.

"The records prescribed hereinabove shall be kept for a period of six (6) months from the date any claim, to which such records are pertinent, is filed in the Comptroller's office, and no tax refund shall ever be paid in whole or in part when a part of the motor fuel purchased on any invoice of exemption contained in the claim has been used to operate a motor ve-

hicle, tractor or other conveyance of any kind or description upon any public highway for which a tax refund is not authorized herein, unless the claimant has kept for the time and in the manner herein provided a complete record of all such uses for which no tax refund is authorized.

"(h) Any person who shall export, or lose by fire or other accident motor fuel in any quantity of one-hundred (100) gallons or more upon which the tax imposed herein has been paid, or who shall sell motor fuel upon which the tax has been paid in any quantity to the United States Government, for the exclusive use of said Government, may file claim for refund of the net tax paid to the State in the manner herein provided, or as the Comptroller may direct. Provided, that any bonded distributor holding a valid distributor's permit who establishes proof sufficient and satisfactory to the Comptroller of such export, loss by accident, or sale to the United States Government, may take credit for the net amount of the tax paid to the State on any subsequent monthly report and tax payment made to the Comptroller within six (6) months from the date of such exportation, loss or sale.

"(i) The right to receive a tax refund under the provisions of this section shall not be assignable except as hereinafter provided. Any person residing or maintaining a place of business outside of the State of Texas who shall purchase motor fuel in any quantity of not less than one-hundred (100) gallons and shall export the entire quantity so purchased out of Texas forthwith, may assign his right to claim tax refund to the licensed distributor from whom such motor fuel was purchased, or to any licensed distributor who has paid the tax on such motor fuel either directly or through another licensed and bonded distributor in Texas. When such distributor has secured the proof of export required by the Comptroller, he may file claim for refund of the tax paid on the motor fuel so exported, or, such distributor may take credit for an amount equal to said tax refund on any monthly report and tax payment filed with the Comptroller within six (6) months from the date the motor fuel was exported.

"(j) For the purpose of enabling the Comptroller, and his authorized representatives, to ascertain whether or not refund motor fuel has been or

is being used for the purposes for which it was purchased, they shall have the right to inspect the premises and the storage thereon where any motor fuel purchased on an invoice of exemption is stored or used and to examine any books and records kept by such purchaser, pertaining to such motor fuel, and it shall be a violation of the law for any person who has purchased or received motor fuel upon which an invoice of exemption has been issued to refuse permission to make such inspection or examination. It is further provided that the refusal of any such person to permit the inspection and examination described hereinabove shall constitute a waiver of all right to receive a tax refund on any claim under investigation.

"(k) Any person who violates or fails to comply with any provision of this Section, or any rule and regulation duly promulgated by the Comptroller for the enforcement of the provisions of this Section, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not less than twenty-five dollars (\$25) nor more than two-hundred dollars (\$200). Provided however, that the penalties prescribed above shall not apply to offenses punishable under Section 27 of this Article, but the said Section 27 shall apply and control over such offenses. In addition to all other penalties prescribed in this Article, it is herein provided that a conviction for a violation of any provision of this Section of said Article shall, for the first offense, forfeit the right of said person to receive a tax refund for a period of six (6) months from the date of said conviction, and for each subsequent offense, shall forfeit the right of said person to receive a tax refund for a period of one (1) year from the date of said conviction.

"(l) Concurrently with the issuance of a refund dealer's license the Comptroller shall issue and charge to the account of the licensee, a book or books of invoices of exemption which invoices shall be printed in duplicate sets and serially numbered. The Comptroller shall keep a record of the number of books and their serial numbers issued to each refund dealer who shall be liable for a penalty in the amount of five dollars (\$5) for each book of invoices of exemption received by him for which he can not properly account as hereinafter provided.

Whenever a representative of the Comptroller audits the motor fuel records of a refund dealer, or whenever a refund dealer places a re-order for a book or books of invoices of exemption, such dealer shall prepare a written record showing the serial numbers of all books not previously accounted for and if such record does not account for each book previously issued to said refund dealer which has not been previously accounted for, the refund dealer shall be given thirty (30) days notice in writing to produce any missing book or to show that it has been used to cover sales of refund motor fuel made by said refund dealer. If the missing book or books are not accounted for within thirty (30) days from the date of said notice the refund dealer shall forfeit to the State of Texas as a penalty the sum of five dollars (\$5) for each book unaccounted for, which shall be paid to the Comptroller and allocated to the same funds to which the motor fuel taxes collected hereunder are apportioned. No further books of invoices of exemption shall be issued to any refund dealer who has incurred the penalty described hereinabove until said penalty has been paid. Any invoices of exemption which become mutilated or unusable shall be returned to the Comptroller by the refund dealer for credit to his account. The books of invoices of exemption shall not be transferable or assignable by such refund dealer unless such transfer or assignment is authorized by the Comptroller.

"If any duplicate invoice of exemption issued to a purchaser is lost or destroyed, said purchaser may make application to the Comptroller for forms to be issued and used in lieu of each lost duplicate.

"The invoices of exemption bound in book form shall be furnished by the State of Texas, free of cost, to the refund dealer.

"(m) All the moneys paid into the Treasury under the provisions of this Article, except the filing fees provided herein, shall be set aside in a special fund to be known as the Highway Motor Fuel Tax Fund and no part of said fund shall be credited to the Available School Fund until a report is made by the Comptroller to the Treasurer, showing the total maximum amount of refunds that may be required to be paid by the State out of said funds. The Comptroller shall

on the 25th day of each month, or as soon thereafter as is possible, compute and ascertain the maximum amount of funds that may be due by the State on sale of motor fuel during the preceding month, upon which a refund may be due, and shall certify to the Treasurer the maximum amount, and the Treasurer shall reserve said amount each month out of which to pay refunds, and shall not distribute that part of said fund until the expiration of the time in which a refund can be made out of said fund, but as soon as said report has been made by the Comptroller and the maximum amount of refunds determined, he shall deduct said maximum amount from the total taxes paid for such month, and apply the remainder of such as provided by law. If the claimant has lost or loses, or for any reason failed or fails to receive warrant after warrant was or has been issued by the Comptroller, and upon satisfactory proof of such, the Comptroller may issue claimant duplicate warrant as provided for in Article 4365, Revised Civil Statutes of Texas of 1925.

"(n) So much of said fund is hereby appropriated and set aside as may be necessary to pay the refunds provided for herein, and if a specific amount be necessary then there is hereby appropriated and set aside for said purpose the sum of Two Hundred Thousand Dollars (\$200,000), or so much thereof as may be necessary. In no event shall any refund be made to any person in excess of the actual amount paid by such person, and the one (1) per cent deducted originally by the distributor upon the first sale or distribution of the motor fuel shall be deducted in computing the refund. The Comptroller shall deduct fifty (50) cents from all such refunds as a filing fee, which fee shall be deducted from the warrant issued in payment of such refund, which said filing fee shall be set aside for the use and benefit of the Comptroller in the administration and enforcement of this Article, as well as for the payment of expenses in furnishing the form of invoice of exemption and other forms provided for herein, and the same is hereby appropriated for such purpose. All such filing fees shall be paid into the State Treasury and shall be paid out on vouchers and warrants in such manner as may be prescribed by law."

Section 5. That Section 14, Article XVII of Chapter 184, Acts of the

Regular Session of the Forty-seventh Legislature, as amended by Chapter 298, Acts of the Regular Session of the Forty-eighth Legislature, be and the same is hereby amended to read hereafter as follows:

"Section 14. (a) There is hereby levied and imposed an excise tax of four (4) cents per gallon on all liquefied gas used, or delivered into a fuel tank for use, in propelling a motor vehicle upon the public highway of Texas, and six (6) cents per gallon on all other liquid fuels used, or delivered into a fuel tank for use, in propelling a motor vehicle upon the public highway of Texas, and every user-dealer who sells and delivers liquefied gas or other liquid fuels into a fuel tank or tanks used to supply fuel for the propulsion of any licensed motor vehicle or any other motor vehicle being operated or intended to be operated upon the public highway of this State shall, at the time of such sale and delivery, collect the said tax at the rate or rates imposed from the purchaser or recipient of said special fuels, in addition to his selling price, and shall report and pay to the State of Texas the tax so collected at the time and in the manner as herein provided. Every user-dealer shall likewise report and pay to the State of Texas, the tax at the rate or rates imposed hereinabove on each gallon of liquefied gas or other liquid fuels, hereinafter referred to as special fuels, acquired in any manner tax free by said user-dealer and thereafter used, or delivered into a fuel tank for use, in propelling a motor vehicle upon the public highway of Texas.

"It is the intent and object of this section that the tax or taxes imposed herein on special fuels, as that term is defined, shall be paid by the persons using or consuming said special fuels to generate power for the propulsion of motor vehicles upon the public highways of this State, and the granting of a permit to user-dealers to collect said excise taxes for and in behalf of the State of Texas shall be deemed to establish a fiduciary relationship. Provided however, that no tax shall be imposed upon the sale or delivery of special fuels to the United States Government for its exclusive use.

"Provided that no tax shall be paid on special fuels brought into Texas in quantities of not more than thirty gallons in a fuel tank connected to and feeding the carburetor of a mo-

tor vehicle entering the State; if said quantities exceed thirty gallons the tax and penalties shall apply to the full amount being used on the Texas highway. Provided, further, that a licensed user-dealer may deduct from his report and tax remittance the tax on one per cent of the taxable gallonage to cover the expenses of collecting the taxes, keeping records, making reports and furnishing bond.

"(b) From and after the effective date of this Article as hereby amended, all persons desiring to sell and deliver special fuels in this State into the fuel tank of any motor vehicle for use in the propulsion thereof upon or over the public highway of Texas, and every person desiring to use special fuels acquired tax free in any manner to propel any motor vehicle upon the public highway of Texas shall file application with the Comptroller for a user-dealer's permit to make such taxable sales or uses of special fuels, said application to be on a form prescribed by the Comptroller setting forth the name under which such user-dealer transacts or intends to transact business, and showing such other information as the Comptroller may require. Provided however, a distributor of motor fuel duly licensed in Texas may file a joint application for a permit to sell, distribute or use motor fuel and special fuels under one permit and one bond.

"(c) Concurrently with the filing of said application the user-dealer shall file with the Comptroller a bond in an amount to be set by the Comptroller at not less than one hundred dollars (\$100.00) nor more than the maximum fixed herein for a motor fuel distributor's bond. The bond shall be executed by a surety company authorized to write bonds in this State, or the equivalent in cash, or securities of any class acceptable for motor fuel distributors bonds, may be filed. The said bond shall be posted to guarantee the payment to the State of Texas, of the taxes required herein to be collected upon the sale and delivery and paid upon the use of special fuels by a user-dealer, together with all penalties which may become due for failure to remit said taxes to the Comptroller within the time prescribed by law, and shall be conditioned upon the full compliance with all other provisions of this Article affecting a user-dealer. It is expressly provided however, that any distributor of motor fuel who also

sells or uses special fuels as a user-dealer may, in lieu of furnishing the user-dealer's bond, file a joint or single bond conditioned upon the full, complete and faithful performance of all the terms, conditions and requirements imposed upon a distributor and a user-dealer by this Article, including the remittance to the State of Texas of all taxes collected upon the sales and all taxes due upon the use of motor fuel and special fuels, said bond to be on a form and containing such information as the Comptroller may prescribe. Such bond or bonds shall expire on December 31st of each year but may be continued in force for the succeeding twelve months or may be increased or reduced by renewal certificate issued by the surety thereon.

"Any surety on a bond furnished under the provisions of this Section may obtain release and discharge from such bond and all liability thereunder to the State within thirty days from the date such surety files written request for such release with the Comptroller, but such release shall not operate to release the surety from any liability already accrued, or which shall accrue before the expiration of said thirty day period. The user-dealer who furnished such bond shall be promptly notified to furnish a new bond and if a new and acceptable bond is not furnished within fifteen days from date of said notice the user-dealer's permit shall be canceled. Provided further, suit may be filed against any surety or sureties on any bond furnished by a user-dealer, without first resorting to or exhausting the assets of such user-dealer or without making said user-dealer, as principal obligor in said bond, a party to said suit.

"(d) The application in proper form and satisfactory bond having been filed and accepted, the Comptroller shall issue the applicant a non-assignable consecutively numbered permit authorizing the sale and delivery of special fuels into the fuel tanks of motor vehicles operated or to be operated upon the public highway of Texas, and authorizing the use of such special fuels to propel motor vehicles owned or operated by a user-dealer upon the public highway, said permit to be effective from the date it is issued for the balance of the calendar year ending December 31st of each year. A separate certificate of the permit shall be issued for each additional place of business op-

erated by a user-dealer which shall be kept in the place of business for which it is issued. A bond shall be filed and a permit obtained for each calendar year beginning January 1st, and ending December 31, or for any part thereof in which the applicant intends to sell or use special fuels for the taxable purposes described herein, and no person shall sell or use special fuels for any purpose which requires the tax to be paid upon such sale or use, unless he holds a valid permit from the Comptroller authorizing such taxable sales or uses for the calendar year named in the permit.

"The permit shall be revocable for the violation of or the failure to comply with any provision of this Article appertaining to the sale or use of special fuels for taxable purposes, or any rule and regulation duly promulgated by the Comptroller for the enforcement of such provisions of law. The revocation, suspension or refusal to issue or reinstate any such permit shall be made in the manner and subject to the terms and conditions provided in Section 16 of this Article and the said Section 16 is hereby made applicable to any such action taken by the Comptroller.

"(e) In addition to other records required in this Article every user-dealer shall keep in Texas for a period of two (2) years, for the inspection at all times by the Comptroller and Attorney General, or their authorized representatives, a well-bound book record which shall provide complete information of all liquefied gas and other liquid fuels handled by said user-dealer at each place of business where special fuels are sold, delivered or used, for taxable purposes, including inventories of each product on hand at each such place of business on the first of each month and showing the gallons of each product purchased or otherwise acquired, the gallons of each product delivered daily for taxable purposes, the gallons of each product used daily for taxable purposes and the gallons of each product sold or otherwise disposed of daily for any purpose or purposes not subject to the tax imposed herein. And it is expressly provided that each delivery of liquefied gas or other liquid fuels into a fuel tank for use in propelling a motor vehicle upon the public highway of Texas, regardless of the quantity delivered, shall be recorded upon a serially numbered in-

voice which shall be issued in not less than duplicate counterparts with the name and address of the user-dealer printed thereon, and on which spaces shall be provided wherein shall be shown the date of each such delivery, the quantity and the kind of product delivered, the state highway license number, or the make and description if not licensed, of each motor vehicle into which liquefied gas or other liquid fuels is delivered into its fuel tank for taxable use. Provided further, that the invoice shall reflect separately the tax involved in each such sale, delivery, or use of such products. One counterpart of the invoice shall be kept by the user-dealer for the time hereinabove prescribed and the other counterpart thereof shall be delivered to the purchaser or user of the special fuels who shall carry it with him until the fuel is consumed. If the special fuels are used by the user-dealer in which no sale is involved, a notation shall be recorded on the invoice showing such fact or information.

"If any user-dealer shall fail to keep the records and make the reports as required herein, the Comptroller is hereby authorized to fix or establish the amount of taxes, penalties and interest due the State of Texas from any records or information available to him and if the tax claim as developed from such procedure is not paid, such claim, and any audit made by the Comptroller's representatives, shall be admissible in evidence in any suit or judicial proceedings filed by the Attorney General, and shall be prima facie evidence of the correctness of said claim or audit; provided however, that the prima facie presumption of the correctness of said claim may be overcome, upon the trial, by evidence adduced by said user-dealer.

"(f) Every user-dealer who shall be required to collect the taxes levied by this section upon the sale or delivery of special fuels, or who shall be required to pay the taxes levied upon special fuels used, or delivered into a fuel tank for use, in propelling a motor vehicle upon the public highway by said user-dealer, shall upon the 25th day of each calendar month remit or pay over to the State of Texas through the Comptroller at his office in Austin, Travis County, Texas, the amount of such taxes due by said user-dealer from the sale, delivery or use of special fuels, and at the

same time, such user-dealer shall make and deliver to the Comptroller a report, verified by affidavit of the user-dealer, or his representative in charge, showing the date of said report, the name and address of the user-dealer reporting, and the month which the report covers. The report shall show complete information of all liquefied gas and other liquid fuels handled during the month reported at each place of business from which special fuels are delivered into the fuel tanks of motor vehicles for use on the public highway, including the gallons of each product purchased or otherwise acquired, the gallons of each product sold or delivered for taxable purposes, the gallons of each product used for taxable purposes, and the gallons of each product sold or otherwise disposed of for any purpose or purposes not subject to the tax imposed herein. Provided that when a qualified user-dealer has not sold, delivered or used any special fuels for taxable purposes during any month or part thereof, he shall nevertheless file with the Comptroller the report required herein setting forth such fact or information. Every user-dealer, at the time of making said report, shall attach legal tender thereto or make proper form of money order or exchange payable to the State Treasurer in the amount of tax due and required to be paid for the period covered by the report.

"Provided further that if any user-dealer is also a licensed distributor of motor fuel, he may include the information required herein to be reported for special fuels in his monthly distributor's report.

"Every user-dealer shall be prima facie presumed to have sold, delivered or used for taxable purposes all special fuels shown by a duly verified audit by the Comptroller, or any representative thereof, to have been delivered to him at each place of business from where such fuels are sold, delivered or used for taxable purposes, and not accounted for. When it shall appear that a user-dealer has erroneously reported and remitted or paid more taxes than were due the State of Texas upon any special fuels during any taxpaying period, either on account of a mistake of fact or law, the Comptroller may credit the total amount of taxes due by such user-dealer for the current period with the total amount of taxes so erroneously paid; such credit shall be

allowed before any penalties or interest shall be applicable.

"(g) All taxes, penalties, interest, and costs due by any user-dealer to the State under the provisions of this Article, and all taxes collected and required to be paid by said user-dealer to the State shall be secured by a preferred lien, first and prior to any and all other existing liens, contract or statutory, legal or equitable, and regardless of the time such liens originated, upon all of the property of any user-dealer devoted to or used in his business as a user-dealer, which property shall include all plants, storage tanks, warehouse, office buildings and equipment, tank trucks or other vehicles, stocks on hand of every kind and character used or usable in such business, and the proceeds from the sale of such stocks and materials, including cash on hand and in banks, accounts and notes receivable and all other property of every kind and character whatsoever and wherever situated devoted to such use and including each tract of land on which such business and the property used in carrying on such business is located.

"(h) As a means of enforcing the provisions of this Article, the Comptroller and his authorized representatives, and any highway patrolman, sheriff, constable or other peace officer, shall have the right to stop any motor vehicle which appears to be transporting special fuels, or which appears to be operating with any special fuels, for the purpose of examining the invoice or manifest required to be carried with such products and for the purpose of sampling and examining the product and making any other investigation necessary to determine whether or not the tax has been paid or a tax liability has been incurred on the product being transported or used.

"(i) Any person who owns or operates a tractor, combine, or similar agricultural vehicle propelled with special fuels which is capable of being used on the public highways of this state, and who is not required to register as a user-dealer under the provisions of this Article shall register each and every such vehicle with the Comptroller, on forms furnished by the Comptroller and containing such information as the Comptroller may prescribe, and shall on such form state under oath whether he intends to use any such vehicle on the public highway of this state. In the event any

such registrant, except as hereinafter provided, uses any such vehicle on the public highway of this state, he shall make application and qualify as a user-dealer as provided in subsection (b) above. Any such registrant shall be permitted to move any such registered vehicle over the public highway for the purpose of transferring its base of operation from one farm, ranch, or other similar tract of land owned or operated by said person to another, without qualifying as a user-dealer and paying the tax on the special fuels used in such incidental travel on the highway. Special fuels consumed in any such tractor or vehicle traveling more than ten (10) miles on the public highway during any one trip shall not be construed to have been used for incidental purposes and the user thereof shall be required to qualify as a user-dealer and report and pay the tax on the special fuels used on the highway on such trip. Provided further, that special fuels consumed in any vehicle which has not been registered with the Comptroller as above provided or special fuels consumed in any vehicle used in transporting goods, wares, merchandise or other commodities over the public highway or consumed in vehicles used in custom work for others, or used upon the public highway for any purpose other than in moving said vehicle from its base of operation on one farm, ranch or similar tract of land to another within the limitations prescribed hereinabove shall be subject to the taxes imposed herein, and the user thereof shall be required to furnish bond and obtain a User-dealer's Permit before using special fuels for such taxable purposes."

Section 6. That Section 18, Article XVII of Chapter 184, Acts of the Regular Session of the Forty-seventh Legislature, be and the same is hereby amended to read hereafter as follows:

"Section 18. If any person affected by the Article (a) shall fail to pay to the State of Texas any tax due and owing under the provisions of this Article, or (b) shall fail to keep for the period of time provided herein any books or records required, or (c) shall make false entry or fail to make entry in the books and records required to be kept, or (d) shall mutilate, destroy, secrete, or remove from this State, any such books or records, or (e) shall refuse to permit the Comptroller, the Attorney General, or their authorized

representatives to inspect and examine any books or records, required to be kept, or any other pertinent books or records, incident to the conduct of his business that may be kept, or (f) shall make, deliver to, and file with the Comptroller a false or incomplete return or report, or (g) shall refuse to permit the Comptroller, or his authorized representatives, to inspect any premises where motor fuel, crude petroleum, natural gas, or any derivative or condensate thereof are produced, made, prepared, stored, transported, sold, or offered for sale or exchange, or (h) shall refuse permission to said persons to examine, gauge, or measure the contents of any storage tanks, vehicle tanks, pumps, or other containers, or to take samples therefrom, or (i) shall refuse permission to said persons to examine and audit any books, records, and gauge reports kept in connection with or incidental to said equipment, or (j) shall refuse to stop and permit the inspection and examination of any motor vehicle transporting motor fuel or transporting or using special fuels, upon demand of any person authorized to inspect the same, or (k) shall fail to make and deliver to the Comptroller any return or report required herein to be made and filed, or (l) shall forge or falsify any invoice of exemption herein provided, or (m) shall make any false statement in any claim for refund of motor fuel taxes as to any material fact required to be given, or (n) shall use special fuels for the propulsion of a motor vehicle upon the public highway without then and there possessing an invoice showing that the tax on the use of said products has been paid, or accounted for by a licensed user-dealer, or if any such person (o) shall fail or refuse to comply with any provision of this Article or shall violate the same, or (p) shall fail or refuse to comply with any rule and regulation promulgated hereunder by the Comptroller, or violate the same, he shall forfeit to the State of Texas as a penalty the sum of not less than Twenty-five Dollars (\$25), nor more than Five Hundred Dollars (\$500). Each day's violation shall constitute a separate offense and incur another penalty, which, if not paid shall be recovered in a suit by the Attorney General in a court of competent jurisdiction in Travis County, Texas, or any other court of competent jurisdiction having venue under existing venue Statutes. Provided that in

addition to the penalties shown, if any distributor or user-dealer does not make remittance for any taxes collected, or pay any taxes due the State of Texas by said distributor or user-dealer, within the time prescribed by law, said distributor or user-dealer shall forfeit two (2) per cent of the amount due; and if said taxes are not remitted or paid within ten (10) days from the date the Comptroller gives such distributor or user-dealer notice of the amount due in writing directed to the address shown in the application for permit filed by said distributor or user-dealer, an additional eight (8) per cent shall be forfeited. All past due taxes and penalties shall draw interest at the rate of six (6) per cent per annum.

"The venue of any suit, injunction, or other proceeding at law or in equity available for the establishment or collection of any claim for delinquent taxes, penalties, or interest accruing hereunder and the enforcement of the terms and provisions of this Article, shall be in a court of competent jurisdiction in Travis County, Texas, or in any other court having venue under existing venue Statutes.

"Provided further, that before any restraining order or injunction shall be granted against the Comptroller, or his authorized representatives, to restrain or enjoin the collection of any taxes, penalties, and interest imposed by this Article, the applicant therefor shall pay into the suspense account of the State Treasurer all such taxes, penalties, and interest showing to be due and owing to the State by any audit made by the Comptroller, or his duly authorized representative, when said audit has been certified to by the Comptroller or his Chief Clerk, and has been signed under oath by said authorized representative as having been made from the books and records of said applicant, whether or not required to be kept under the provisions of this Article, or from the books and records of any person from whom such applicant has purchased, received, delivered, or sold motor fuel or special fuels, or from the books and records of any transportation agency, which has transported such products to or from said applicant. Provided, however, that said applicant may, in lieu of paying said taxes, penalties, and interest into the suspense account of the State Treasurer, file with said Treasurer a good and sufficient surety bond in the amount and form and

under the conditions provided in Section 1, Chapter 310, Acts of the Regular Session of the Forty-fifth Legislature, and the provisions of said Section 1, Chapter 310, are hereby made applicable to any suit filed to restrain or enjoin the collection of any such taxes, penalties, and interest imposed by this Article. Any proceedings to enjoin the collection of such taxes, penalties, and interest, or the enforcement of any provision of this Article shall be in a court of competent jurisdiction in Travis County, Texas."

Section 7. That Section 22, Article XVII of Chapter 184, Acts of the Regular Session of the Forty-seventh Legislature, be and the same is hereby amended to read hereafter as follows:

"Section 22. (a) Authority is hereby conferred upon the Comptroller to waive any proceedings for the forfeiture of any of the property seized under the provisions of this Article, or any part thereof, provided that the offender shall pay into the State Treasury through the Comptroller a penalty equal to twice the amount of the tax due on the motor fuel plus all other costs in connection with such seizure. A record of all such settlements and waivers of forfeiture shall be kept by the Comptroller and shall be open to public inspection.

"(b) Provided further, that if the Comptroller finds from examination of records or from other investigation that motor fuel or special fuels have been sold, delivered, or used for any taxable purpose without the taxes levied by this Article having been paid to the State of Texas, or accounted for by a licensed distributor or user-dealer, he shall have the power to require the person making such taxable sale, delivery or use of such motor fuel or special fuels to pay into the State Treasury through the Comptroller the taxes due and a penalty equal to the amount of such taxes due. If any person who has made any such taxable sale or taxable use is unable to furnish sufficient evidence to the Comptroller that said taxes have been paid, or accounted for by a licensed distributor or a user-dealer, the prima facie presumption shall arise that such motor fuel or special fuels was sold, delivered or used without said taxes having been paid."

Section 8. That Sections 26 and 27, Article XVII, Chapter 184, Acts of the Regular Session of the 47th Legislature, as amended by Chapter 298,

Acts of the Regular Session of the 48th Legislature, be and the same are hereby amended to read hereafter as follows:

"Section 26. If any person (a) shall refuse to permit the Comptroller, the Attorney General, or their authorized representatives, to inspect, examine and audit any books and records required to be kept by a distributor, user-dealer, refund dealer, or dealer, or (b) shall refuse to permit said persons to inspect and examine any plant, equipment, materials, or premises where motor fuel or special fuels are produced, processed, stored, sold, delivered or used, or (c) shall refuse to permit said persons to measure or gauge the contents of all storage tanks, pumps or containers on said premises, or take samples therefrom, or (d) shall conceal any motor fuel or special fuels for the purpose of violating any provision of this Article, or (e) shall transport motor fuel, or special fuels in a motor vehicle with pipe or tube connection from the cargo tank or container to the carburetor of said motor vehicle, or (f) shall use special fuels to propel a motor vehicle upon the public highway without the tax having been paid to the State of Texas, or accounted for by a user-dealer, or (g) shall sell or distribute motor fuel or special fuels from a fuel tank or auxiliary fuel tank with a direct or indirect connection to the carburetor of a motor vehicle, or (h) if any dealer shall fail or refuse to keep in Texas for the period of time required by law, any books or records required to be kept by said person, or (i) if any dealer, or the agent or employee of any dealer, shall knowingly make any false entry or fail to make entry in the books and records required to be kept by a dealer, or (j) if any refund dealer shall refuse to surrender his refund dealer's license to the Comptroller upon suspension or cancellation of said license, or (k) shall refuse to surrender to the Comptroller all unissued invoices of exemption upon the suspension or cancellation of said license, or (l) if any user-dealer shall deliver special fuels into the fuel tank of a motor vehicle for the propulsion of said motor vehicle upon the public highway without then and there holding a valid user-dealer's permit, or if any person (m) shall fail or refuse to comply with any provision of this Article, or shall violate the same, or (n) shall fail or refuse to comply with any rule and

regulation duly promulgated by the Comptroller, or shall violate the same, said person or persons shall be guilty of a misdemeanor, and upon conviction shall be punished by a fine of not less than twenty-five dollars (\$25) nor more than Two Hundred Dollars (\$200).

"Section 27. (a) Whoever shall knowingly transport in any manner any motor fuel, casing-head gasoline, drip gasoline, natural gasoline, absorption gasoline, or special fuels under a false manifest, or (b) whoever shall knowingly transport any of the foregoing named commodities in any quantity, for which a manifest is required to be carried, without then and there possessing or exhibiting upon demand by an authorized officer, a manifest, containing all the information required to be shown thereon, or (c) while transporting any of the foregoing named commodities, shall wilfully refuse to stop the motor vehicle he is operating when called upon to do so by a person authorized hereunder to stop said motor vehicle, or (d) shall refuse to surrender his motor vehicle and cargo for impoundment when ordered to do so by a person authorized hereunder to impound said motor vehicle and cargo, or (e) whoever shall make a first sale, distribution, or use of motor fuel, upon which a tax is required to be paid by law, without then and there holding a valid distributor's permit issued by the Comptroller, or (f) whoever as a distributor shall fail or refuse to make and deliver to the Comptroller a report containing the information required by law to be made and delivered to said Comptroller, or (g) whoever as a user-dealer shall fail or refuse to make and deliver to the Comptroller a report containing the information required by law to be made and delivered to said Comptroller, or (h) whoever shall knowingly make and deliver to the Comptroller any false or incomplete report required by law to be made and delivered to the Comptroller by a distributor or by a user-dealer, or (i) whoever as a distributor shall fail or refuse to keep in Texas for the period of time required by law any books and records required to be kept by a distributor, or (j) whoever as a user-dealer shall fail or refuse to keep in Texas for the period of time required by law any books and records required to be kept by a user-dealer, or (k) whoever shall knowingly make any false entry or shall wil-

fully fail to make entry in any books and records required to be kept by a distributor or by a user-dealer, or (l) whoever shall wilfully forge or falsify any invoice of exemption prescribed by law, or (m) whoever shall wilfully and knowingly make any false statement in any claim for a tax refund delivered to or filed with the Comptroller, shall be guilty of a felony and upon conviction, shall be punished by confinement in the State penitentiary for not more than five (5) years or by confinement in the county jail for not less than one (1) month nor more than six (6) months, or by a fine of not less than One Hundred Dollars (\$100) nor more than Five Thousand Dollars (\$5,000), or by both such fine and imprisonment. In addition to the foregoing penalties, it is herein provided that a felony conviction for any of the above named offenses shall automatically forfeit the right of said convicted person to obtain a permit as a distributor of motor fuel, or as a user-dealer in special fuels, or as a refund dealer, for a period of two years from the date of such conviction.

"Provided, that if any penalties prescribed elsewhere in this Article shall overlap as to offenses which are also punishable under Section 27 of this Article, then the penalties prescribed in the said Section 27 shall apply and control over all such penalties. Venue of prosecution under Section 27 shall be in Travis County, Texas, or in the county in which the offense occurred."

Section 9. All laws or parts of laws that conflict herewith are, insofar as such confliction exists, hereby repealed and this Act shall prevail over any conflicting provision of law. Provided, however, that all taxes, penalties and interest accruing to the State of Texas before the effective date of this Act by virtue of the amended or re-enacted provisions of Chapter 184, Article XVII, Acts of the Regular Session of the Forty-seventh Legislature, as amended by Chapter 298, Acts of the Regular Session of the Forty-eighth Legislature, and all taxes, penalties and interest accruing under the provisions of pre-existing gasoline or motor fuel tax laws, prior to the effective date of this Act, shall be and remain valid and binding obligations due the State of Texas, and such taxes, penalties and interest are hereby declared to be legal and valid obligations to the State, and all liens

and other obligations created and all bonds executed to secure their payment under the terms of said amended or re-enacted Act are hereby declared to be and shall remain in full force and effect. It is further provided, that no offense committed and no fine, forfeiture, or penalty incurred under such above amended or re-enacted Acts before the effective date of this Act, shall be affected by the amendment or re-enactment of any such laws, but the punishment of such offense and recovery of such fines and forfeitures shall take place as if the law amended or re-enacted had remained in force.

Section 10. If any section, paragraph, sentence, clause, phrase or word of this Act, or the application thereof to any person or circumstances, is declared to be invalid, it shall not affect any of the remaining provisions of said Act, and the Legislature hereby declares it would have passed said remaining provisions without the invalid provisions, and to this end the provisions of this Act are declared to be severable.

SECTION XXIII

Except as otherwise provided herein, the revenues from the taxes levied herein shall be allocated as provided in Article XX of House Bill No. 8, Chapter 184, Acts of the 47th Legislature, 1941, and any amendments thereto. (Compiled in Vernon's Annotated Civil Statutes of Texas, Article 7083a).

SECTION XXIV

If any section, paragraph, sentence, clause, phrase or word of this Act, or the application thereof to any person or circumstances, is declared to be invalid, it shall not affect any of the remaining provisions of said Act, and the Legislature hereby declares it would have passed said remaining provisions without the invalid provisions, and to this end the provisions of this Act are declared to be severable.

SECTION XXV

The crowded condition of the calendar creates an emergency and an imperative public necessity that the Constitutional Rule requiring bills to be read on three several days in each House be suspended, and the same is hereby suspended, and this Act shall take effect and be in force from and after the first day of September, A.D. 1951.

The report was read and was adopted by the following vote:

Yeas—16

Aikin	Lock
Bracewell	Martin
Carney	Moffett
Carter	Parkhouse
Colson	Phillips
Fuller	Tynan
Hudson	Wagonseller
Kelly of Tarrant	Weinert

Nays—15

Ashley	McDonald
Bell	Moore
Bullock	Nokes
Corbin	Russell
Hardeman	Shofner
Hazlewood	Strauss
Kelley of Hidalgo	Vick
Lane	

Reports of Standing Committees

By unanimous consent the following committee reports were submitted at this time.

Senator Hudson submitted the following reports:

Austin, Texas,
May 15, 1951.

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on Oil, Gas and Conservation, to whom was referred House Bill 568, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do not pass, but that the Committee Substitute for House Bill 568 do pass and be printed.

HUDSON, Chairman.

C. S. H. B. No. 568 was read the first time.

Austin, Texas,
May 15, 1951.

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on Oil, Gas and Conservation, to whom was referred House Concurrent Resolution Number 25, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass as amended and be printed.

HUDSON, Chairman.

Senator Carter submitted the following report:

Austin, Texas,
May 21, 1951.

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on Counties and County Boundaries, to whom was referred S. B. No. 469, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass and be not printed.

CARTER, Chairman.

Senator Carney submitted the following report:

Austin, Texas,
May 21, 1951.

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on Finance, to whom was referred Senate Bill No. 467, have had the same under consideration, and are reporting it back to the Senate with the recommendation that it do pass, as amended, and be printed.

CARNEY, Chairman.

Senate Bill 292 on Second Reading

On motion of Senator Carter and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to engrossment:

S. B. No. 292, A bill to be entitled "An Act making appropriations to pay miscellaneous claims out of the General Revenue Fund or such other funds as may be designated herein for each item, not otherwise appropriated; providing that before payment of any claims from the funds hereby appropriated the same shall have the approval of the State Comptroller, the Attorney General and the State Auditor; provided further that any claim involving the refund of a franchise tax shall also carry the approval of the Secretary of State in addition to the other officials herein named, and declaring an emergency."

The bill was read second time.

Senator Carter offered the following amendment to the bill:

Amend the Committee Substitute for Senate Bill 292 by adding a new item at the end of Sub-section A at the end of Section 1 to read as follows:

"To pay P. R. Price of El Paso, Texas, for expenses and mileage while hearing oral argument at Dallas, Texas—\$80.65."

The amendment was adopted.

Senator Hardeman offered the following amendment to the bill:

Amend Com. Sub. to S. B. 292, Sec. 1, subsection A by adding at the end of said section the following:

"To pay Concho Lumber Company, San Angelo, Texas, for refund of overpayment of truck-trailer registration fees erroneously paid the Tax Collector of Tom Green County, Texas, for 1949—\$160.40."

The amendment was adopted.

Senator Hudson offered the following amendment to the bill:

Amend Section 1, Subsection A, of Committee Substitute for Senate Bill No. 292 by inserting therein the following:

To pay Southwestern Bell Telephone Company, Dallas, Texas, as refund of franchise taxes and permit fees illegally collected under Articles 2439 and 5243i, R. C. S., 1895 (Articles 7394 and 3837, R. C. S. 1911)—\$42,040.00.

The amendment was lost by the following vote:

Yeas—13

Aikin	Hazlewood
Ashley	Hudson
Bell	Kelley of Hidalgo
Bullock	Lock
Carney	Parkhouse
Colson	Weinert
Fuller	

Nays—16

Bracewell	Nokes
Carter	Phillips
Corbin	Russell
Hardeman	Shofner
Kelly of Tarrant	Strauss
Martin	Tynan
McDonald	Vick
Moffett	Wagonseller

Absent

Lane	Moore
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The bill, as amended, was passed to engrossment.

Senate Bill 292 on Third Reading

Senator Carter moved that the constitutional rule requiring bills to be

read on three several days be suspended and that S. B. No. 292 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—30

Aikin	Lane
Ashley	Lock
Bell	Martin
Bracewell	McDonald
Bullock	Moffett
Carney	Moore
Carter	Nokes
Colson	Parkhouse
Corbin	Phillips
Fuller	Russell
Hardeman	Shofner
Hazlewood	Strauss
Hudson	Tynan
Kelley of Hidalgo	Wagonseller
Kelly of Tarrant	Weinert

Nays—1

Vick

The President then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed.

Senate Bill 461 on Second Reading

On motion of Senator Ashley and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to engrossment:

S. B. No. 461, A bill to be entitled "An Act authorizing the Texas State Parks Board to transfer and convey certain land in Llano County to the city of Llano; and declaring an emergency."

The bill was read second time and passed to engrossment.

Senate Bill 461 on Third Reading

Senator Ashley moved that the constitutional rule requiring bills to be read on three several days be suspended and that S. B. No. 461 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—31

Aikin	Bell
Ashley	Bracewell

Bullock	McDonald
Carney	Moffett
Carter	Moore
Colson	Nokes
Corbin	Parkhouse
Fuller	Phillips
Hardeman	Russell
Hazlewood	Shofner
Hudson	Strauss
Kelley of Hidalgo	Tynan
Kelly of Tarrant	Vick
Lane	Wagonseller
Lock	Weinert
Martin	

The President then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed by the following vote:

Yeas—31

Aikin	Lock
Ashley	Martin
Bell	McDonald
Bracewell	Moffett
Bullock	Moore
Carney	Nokes
Carter	Parkhouse
Colson	Phillips
Corbin	Russell
Fuller	Shofner
Hardeman	Strauss
Hazlewood	Tynan
Hudson	Vick
Kelley of Hidalgo	Wagonseller
Kelly of Tarrant	Weinert
Lane	

House Bill 686 on Second Reading

On motion of Senator Carter and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to third reading:

H. B. No. 686, A bill to be entitled "An Act making appropriations to pay miscellaneous claims out of the General Revenue Fund, or such other funds as may be designated herein for each item, not otherwise appropriated; providing that before payment of any claims shall be paid from the funds hereby appropriated, the same shall have the approval of the State Auditor, the State Comptroller and the Attorney General; providing further that any claim involving the refund of a franchise tax shall also carry the approval of the Secretary of State in addition to the other officials herein named; and declaring an emergency."

The bill was read second time and passed to third reading.

House Bill 686 on Third Reading

Senator Carter moved that the constitutional rule requiring bills to be read on three several days be suspended and that H. B. No. 686 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—30

Aikin	Lane
Ashley	Lock
Bell	Martin
Bracewell	McDonald
Bullock	Moffett
Carney	Moore
Carter	Nokes
Colson	Parkhouse
Corbin	Phillips
Fuller	Shofner
Hardeman	Strauss
Hazlewood	Tynan
Hudson	Vick
Kelley of Hidalgo	Wagonseller
Kelly of Tarrant	Weinert

Absent

Russell

The President then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed.

Motion To Place House Bill 577 on Second Reading

Senator Lock asked unanimous consent to suspend the regular order of business and that H. B. No. 577 be laid out for consideration at this time.

There was objection.

Senator Lock then moved to suspend the regular order of business and that H. B. No. 577 be laid out for consideration at this time.

The motion was lost by the following vote (not receiving a two-thirds vote of the Members present):

Yeas—19

Aikin	Carney
Ashley	Colson
Bell	Fuller
Bracewell	Hardeman
Bullock	Hazlewood

Kelley of Hidalgo	Parkhouse
Kelly of Tarrant	Strauss
Lane	Wagonseller
Lock	Weinert
Moore	

Nays—11

Carter	Nokes
Corbin	Phillips
Hudson	Shofner
Martin	Tynan
McDonald	Vick
Moffett	

Absent

Russell

Motion To Place House Concurrent Resolution 124 on Second Reading

Senator Bell asked unanimous consent to suspend the regular order of business and that H. C. R. No. 124 be laid out for consideration at this time.

There was objection.

Senator Bell then moved to suspend the regular order of business and that H. C. R. No. 124 be laid out for consideration at this time.

The motion was lost by the following vote.

Yeas—12

Ashley	Nokes
Bell	Parkhouse
Corbin	Russell
Kelley of Hidalgo	Shofner
Lane	Strauss
McDonald	Vick

Nays—18

Aikin	Kelly of Tarrant
Bracewell	Lock
Bullock	Martin
Carter	Moffett
Colson	Moore
Fuller	Phillips
Hardeman	Tynan
Hazlewood	Wagonseller
Hudson	Weinert

Absent

Carney

Senate Resolution 260

Senator Hazlewood offered the following resolution:

Whereas, We are honored today to have in the gallery the 6th, 7th and 8th grades of Cee Vee School of Cee Vee, Texas, accompanied by their

teachers, Mr. and Mrs. W. C. Osborn; and

Whereas, These students and guests are on an educational tour of the Capitol Building and the Capital City; now, therefore, be it

Resolved, That these individuals be officially welcomed and recognized by the Senate, and that they be extended the courtesies of the floor for the day.

The resolution was read and was adopted.

Bills and Resolutions Signed

The President signed in the presence of the Senate after the captions had been read the following enrolled bills and resolutions:

S. J. R. No. 8, Proposing an amendment to Section 48-d of Article III of the Constitution of the State of Texas, authorizing the Legislature to provide for the creation and establishment of rural fire prevention districts so as to provide that the Legislature may authorize an ad valorem tax not to exceed fifty (50c) cents on the One Hundred (\$100) Dollars valuation.

S. C. R. No. 41, Granting H. C. Durham permission to sue the State.

S. C. R. No. 57, Suspending Joint Rules so that the Senate may consider S. J. R. No. 4 on any House Bill day.

S. C. R. No. 61, In memory of Dr. J. C. Erwin, Sr.

S. C. R. No. 46, Proposing that the Texas Legislative Council study the Uniform Commercial Code.

S. B. No. 115, A bill to be entitled "An Act making appropriation to pay deficiency appropriations granted by the Governor prior to January 9, 1951, and for which no appropriations have heretofore been made; and declaring an emergency."

S. B. No. 198, A bill to be entitled "An Act amending House Bill 180, Chapter 96, Acts of the Forty-first Legislature, First Called Session, 1929, relating to and providing for the destruction of certain predatory animals and rodent pests; transferring certain functions from the Live-stock Sanitary Commission to the Director of Extension of the Agricultural and Mechanical College System of Texas; transferring appropriations made, etc., and declaring an emergency."

S. B. No. 439, A bill to be entitled "An Act creating a conservation district under Article XVI, Section 59, of the Constitution comprising the territory contained within the unincorporated towns of Gregory and Ingleside in San Patricio County, Texas, and prescribing its powers and duties; providing for the annexation of additional territory thereto; providing for a Board of Directors for the government of said District; authorizing the District to do all things necessary to make available for beneficial uses, the water from rivers and streams and water from underground sources; authorizing the issuance of bonds and providing for the payment and security thereof; making applicable to the District Title 52 relating to eminent domain and certain General Laws relating to water control and improvement districts; prescribing the other powers of the District; enacting a saving clause and other provisions relating to this subject; and declaring an emergency."

S. B. No. 193, A bill to be entitled "An Act to amend Article 7332, Chapter 10, Title 22, of the Revised Civil Statutes of Texas, 1925, as amended by the Act of the Forty-first Legislature passed at its Regular Session, and found in the published laws of said Session, Chapter 143, pages 307-8, and as amended by the Acts of the Fourth Called Session of the Forty-first Legislature, as the same appears in the published laws of said Session, Chapter 20, page 37, and as amended by the Forty-second Legislature at its Regular Session as same appears in the published laws of said Session, Chapter 258, page 428, and as amended by the Forty-second Legislature, Second Called Session, as the same appears in the published laws of said Session, Chapter 16, page 31; providing for the filing of suits to collect delinquent taxes, etc., and declaring an emergency."

S. B. No. 225, A bill to be entitled "An Act amending Section 7 of Chapter 426, Acts of the Regular Session of the 45th Legislature, as amended by House Bill No. 828, Chapter 480, Acts of the Regular Session of the 47th Legislature, so as to authorize the investment of bond sinking funds and other surplus or reserve funds in certain bonds and time warrants, or in shares or share accounts of any building and loan association organized under the laws of the State of

Texas, or Federal Savings and Loan Associations domiciled in this State, where such shares or share accounts are insured under and by virtue of the Federal Savings and Loan Insurance Corporation; providing a saving clause; repealing all other laws in conflict herewith; and declaring an emergency."

S. B. No. 143, A bill to be entitled "An Act creating a Division of the Railroad Commission of Texas to be known as the Liquefied Petroleum Gas Division; etc., and declaring an emergency."

S. B. No. 227, A bill to be entitled "An Act amending Title 82 of the Revised Civil Statutes of Texas, 1925, as amended, by adding a new article thereto to be known as Article 5139b providing for county juvenile boards in certain counties; providing for compensation; providing for severability; providing that this Act shall be cumulative; and declaring an emergency."

S. B. No. 400, A bill to be entitled "An Act amending Section 1-a of Article 2350, Revised Civil Statutes of Texas, 1925, as amended, so as to provide for the payment of actual traveling expenses of county commissioners in counties of 26,600 to 26,700 population and said county bordering on two states, while traveling inside or outside of the county on official business, provided that the traveling expenses of any county commissioner shall never exceed Eight Hundred (\$800.00) Dollars in any one year; repealing all laws in conflict herewith to the extent of such conflict; and declaring an emergency."

S. B. No. 177, A bill to be entitled "An Act making it unlawful to send or deliver or cause to be sent or delivered any letter, paper, document, notice of intent to bring suit, or other notice or demand, which simulates a form of court or legal process, with intent to lead the recipient or sendee to believe the same to be genuine, for the purpose of obtaining any money or thing of value; prescribing penalties; and declaring an emergency."

S. B. No. 260, A bill to be entitled "An Act to validate the establishment, organization, and/or creation of all Junior College Districts as extended by annexations of other school

districts whose areas have been added to the original Junior College District; etc., and declaring an emergency."

S. B. No. 288, A bill to be entitled "An Act providing for and regulating the admission as evidence of records kept in the regular course of business; and declaring an emergency."

S. B. No. 433, A bill to be entitled "An Act authorizing Commissioners' Court of Bexar County to fix the salary of the County Engineer, etc.; and declaring an emergency."

S. B. No. 56, A bill to be entitled "An Act to validate the establishment, organization, and/or creation of all school districts; validating the acts of county boards of school trustees, county judges, commissioners' courts, boards of trustees of such school districts, and municipal governing bodies; validating tax elections, bond elections, bond assumption elections, and all bonds voted, authorized, and/or now outstanding of said districts; authorizing the levy, assessment, and collection of taxes; providing that this Act shall not apply to certain districts involved now or previously involved in litigation, or to districts involved in certain proceedings now pending before the State Board of Education, or to districts which may have been established and which later returned to original status; providing a savings clause, and declaring an emergency."

S. B. No. 383, A bill to be entitled "An Act amending Chapter 458, Acts 1941, 47th Legislature, Regular Session, designated 'Dallas County Road Law'; providing for creation of County Planning Board outside of incorporated cities or towns of Dallas County for the purpose of regulating county planning, platting, subdivision and matters pertaining to public health; providing regulatory measures and methods of creating such a County Planning Board; providing the remedy of temporary restraining order and injunction in cases of violation of such regulatory provisions; and declaring an emergency."

S. B. No. 351, A bill to be entitled "An Act to amend the subject matter embraced in Section 3, Section 9, Section 10, Section 11, Section 14, Section 17, Section 18 and Section 23 of the Veterans' Land Board — Veterans' Land Fund Act being Chapter

318, Acts of the Regular Session of the 51st Legislature, 1949; providing for the issuance of an additional One Hundred Million Dollars (\$100,000,000.00) in bonds to mature not sooner than June 1, 1960, providing that for each year until December 1, 1959, sufficient money shall be set aside to pay the interest and principal due on all bonds theretofore issued and outstanding, and after December 1, 1959, all moneys received or so much thereof as may be necessary, etc., and declaring an emergency."

S. B. No. 354, A bill to be entitled "An Act creating Boards for lease of lands owned by any Department, Board or Agency of the State; providing the membership of such Boards; providing the title for such Boards; providing for a record of the proceedings of such Boards; providing for the selection of a Secretary to each of such Boards; providing for the leasing of lands now owned by or lands that may hereafter be owned by, etc., and declaring an emergency."

S. B. No. 176, A bill to be entitled "An Act making it a misdemeanor to print for sale or distribution, or to circulate, distribute, publish or offer for sale, any letter, paper, document, notice of intent to bring suit, or other notice or demand, which simulates a form of court or legal process; prescribing penalties; and declaring an emergency."

S. B. No. 374, A bill to be entitled "An Act to provide for the annexation by cities of territory within one or more levee improvement districts; providing for the assumption of bonded indebtedness or the financial obligations of such district or districts; authorizing such cities and districts to enter into contracts respecting the assumption of rights, duties, obligations, debts and liabilities of such district; authorizing such cities to issue refunding bonds for the purpose of refunding obligations of such districts; and providing for the assumption of bonded indebtedness of newly incorporated cities whose territory includes all or any part of a levee or improvement district; reciting a saving clause and declaring an emergency."

S. B. No. 413, A bill to be entitled "An Act transferring to the Governor all powers, duties, prerogatives,

rights and functions now held, exercised or performed by the State Board of Control and the Division of Estimates and Appropriations with respect to the compilation of biennial appropriation budgets; abolishing the Division of Estimates and Appropriations of the State Board of Control; transferring appropriations to such Division to the Governor and authorizing their expenditure; amending Articles 688 and 689 of the Revised Civil Statutes of Texas, as amended; amending Sections 1, 3, 5, 6 and 7 of Chapter 206, Acts of the 42nd Legislature (1931), p. 339; authorizing the Governor and the Legislative Budget Board to cooperate, exchange information and hold joint hearings in connection with the biennial appropriation budgets; and declaring an emergency."

S. B. No. 405, A bill to be entitled "An Act approving the regional education compact; and declaring an emergency."

S. B. No. 444, A bill to be entitled "An Act authorizing the appointment of a stenographer for the District Attorney of the 100th Judicial District of Texas; providing for furnishing office space and office supplies to the District Attorney of said district; providing that this Act shall be cumulative of existing laws upon the same subject matter except that the provisions of this Act shall control in event of conflict; and declaring an emergency."

S. B. No. 443, A bill to be entitled "An Act to amend Senate Bill No. 354, Chapter 517, page 842, General and Special Laws, Regular Session, 1941, 47th Legislature, also known and designated as Article 2815g-1a of the Revised Civil Statutes of 1925, pertaining to salaries of the County Board of School Trustees in certain counties; providing that Articles 2815a, 2815b, 2815c, 2815d, 2815e, 2815f, 2815g and 2815g-1 shall not apply to counties of more than two hundred fifty thousand (250,000) population according to the last preceding Federal census; providing that in such counties that members of the County Board of School Trustees of such counties shall receive Five Dollars (\$5.00) per day for their services in attending meetings, inspecting schools and performing the duties imposed by law; providing that such amount shall be paid out of the Gen-

eral Fund of the county; and declaring an emergency."

S. B. No. 303, A bill to be entitled "An Act authorizing counties having a population in excess of 500,000 inhabitants according to the last preceding Federal Census to create the office of County Fire Marshal; etc., and declaring an emergency."

S. B. No. 438, A bill to be entitled "An Act authorizing certain cities to issue revenue bonds for the purpose of purchasing or constructing sewage disposal facilities; providing for the payment and security of such bonds; authorizing cities to which this Act is applicable to enter into contracts with other cities, persons, corporations and the United States government to furnish sewer service, and authorizing such other cities to enter into such contracts; validating such contracts which have heretofore been entered into and which have not been questioned in litigation pending at the time this Act becomes effective; making provision as to the fixing of rates for sewer service; making Articles 1111 to 1118, inclusive, and Chapter 1 of Title 22, Revised Civil Statutes of 1925, as amended, applicable to bonds issued under this Act except as otherwise provided herein; enacting other provisions relating to the subject; and declaring an emergency."

S. B. No. 435, A bill to be entitled "An Act directing the State Treasurer to designate special depository banks for receiving and keeping certain receipts of institutions of higher education of this State; etc., and declaring an emergency."

S. B. No. 429, A bill to be entitled "An Act amending Section 1 of Senate Bill No. 20, Chapter 228, Acts Forty-third Legislature, Regular Session, as amended, so as to fix the time for making election returns by presiding judges in general and special elections; fixing the time the Commissioners Court shall canvass the returns; fixing the time that the County Judge shall send complete returns to the Secretary of State; providing that in case of failure of County Judge to send in such reports, the Secretary of State shall send a messenger to the county to obtain the returns; and further providing that the expense of sending such a messenger be paid from the county's general fund; and declaring an emergency."

S. B. No. 216, A bill to be entitled "An Act amending Section 17 of S. B. 422, Chapter 362, Acts of the Regular Session of the 51st Legislature, 1949, known as Article 1970-339, Vernon's Civil Statutes; providing for the salary of the Judge of the County Court at Law of Nueces County and declaring an emergency."

S. B. No. 212, A bill to be entitled "An Act authorizing district attorneys in judicial districts containing two (2) or more counties to employ a stenographer or clerk; prescribing the compensation of such stenographer or clerk; repealing all laws in conflict herewith; and declaring an emergency."

S. B. No. 271, A bill to be entitled "An Act amending Section 57, House Bill No. 407, Chapter 4, Acts of the Forty-sixth Legislature as amended by Chapter 272, Acts of the Forty-eighth Legislature, Regular Session, 1943; providing for the disposition of monies derived from the Certificate of Title Act; and declaring an emergency."

S. B. No. 442, A bill to be entitled "An Act authorizing boards of trustees of rural high school districts in counties or subject to the jurisdiction of counties having a population of three hundred and fifty thousand (350,000), or more, inhabitants, according to the last preceding Federal census, to have and appoint an assessor-collector of taxes for their district and such deputy tax assessor-collectors as it deems necessary; providing for the compensation of same; authorizing the assessment and collection of taxes of such district by such assessor-collectors and the equalization of such taxes; providing for the bonding of the tax assessor-collector; providing for the application of laws governing the assessment and collection of taxes in independent school districts in so far as the same be not inconsistent with the provisions of this Act; providing this Act shall not be exclusive but cumulative of existing laws on the same subject; and declaring an emergency."

S. B. No. 401, A bill to be entitled "An Act authorizing certain independent school districts to issue refunding bonds due serially and bearing interest at a rate or rates not to exceed three and one-half (3½%) per cent interest per annum, for the purpose of refunding outstanding

term refunding bonds bearing graduated rates of interest; providing that, in lieu of exchanging such refunding bonds, they may be sold and the proceeds deposited in the bank where the outstanding bonds are payable; providing that when such serial refunding bonds are approved by the Attorney General of Texas and registered by the Comptroller of Public Accounts they shall constitute valid and binding obligations of such district; etc., and declaring an emergency."

S. B. No. 415, A bill to be entitled "An Act authorizing the Commissioner of the General Land Office to sell to R. C. Ivey School Section 14, Block A, Certificate 7036, T. & P. Ry. Co. Survey in Hudspeth County, at a price of \$7.25 per acre under the terms and conditions and limitations provided by statute for the sale of Surveyed Public Free School Lands, and under such rules and regulations as may be prescribed by the Commissioner of the General Land Office; providing for application, and payment to be made within six (6) months from the passage of this Act; providing for payment of fees and issuance of patent; and declaring an emergency."

S. B. No. 388, A bill to be entitled "An Act to amend Section three (3) of House Bill 814, Chapter 502, Acts of the Fifty-first Legislature, 1949, so as to provide that any bonds or notes issued hereunder shall bear interest at the rate not to exceed six per cent (6%) per annum and shall finally mature not more than forty (40) years from date; and declaring an emergency."

S. B. No. 431, A bill to be entitled "An Act amending Article 7333 of the Revised Civil Statutes of Texas, 1925, so as to provide for the payment of the cost of publishing citations and notices of sheriff's sale in newspapers when the State of Texas or other taxing unit is purchaser at the sale; providing a savings clause and repealing all laws or parts of laws in conflict herewith to the extent of such conflict; and declaring an emergency."

S. B. No. 450, A bill to be entitled "An Act prohibiting the taking of minnows from the waters of Somervell County, Texas, for the purpose of sale; prohibiting the transportation of any minnows out of said Somervell

County for the purpose of sale; providing that it shall be unlawful to have more than two hundred (200) minnows in any vehicle in said Somervell County; providing a penalty; providing that the provisions of this Act shall be cumulative; and declaring an emergency."

S. B. No. 404, A bill to be entitled "An Act amending Sections 3, 5, 24 and 30 of House Bill 521, Chapter 100, Acts of the Regular Session of the Forty-fourth Legislature, page 255, as amended, known as The Securities Act, so as to add a new subsection to Section 3 thereof and so as to add the words 'or association' in subdivision (n), so as to amend Section 5 thereof to correspond with Section 3 thereof as hereby amended, so as to clarify the provisions of Section 24 thereof affecting the power of the Secretary of State to issue cease and desist orders in certain cases, and so as to amend Section 30 thereof so as also to provide that violation of a cease and desist order of the Secretary of State shall be punishable as therein provided; and declaring an emergency."

S. B. No. 427, A bill to be entitled "An Act repealing Senate Bill No. 230, Chapter 573, Acts of the Fifty-first Legislature, Regular Session, 1949 (Article 2815-2, Vernon's Civil Statutes); and declaring an emergency."

S. B. No. 296, A bill to be entitled "An Act amending Paragraph 3, Article 4725 of Vernon's Texas Civil Statutes, as amended, so as to authorize life insurance companies organized under the laws of this State to invest in the bonds or notes of any educational or religious corporation where provision has been made for the payment of a sufficient amount of the first weekly or monthly revenues thereof to an interest and sinking

fund account in a bank or trust company as an independent paying agent, and declaring an emergency."

S. B. No. 224, A bill to be entitled "An Act changing the name of San Jacinto River Conservation and Reclamation District to San Jacinto River Authority; making all laws and agreements heretofore or hereafter enacted applicable under new name; providing that whenever such name or reference of name appears in State statutes, or amendments thereto, or in any Acts of any Legislature, or in any court decision, shall mean and apply to the new name; making all grants of State ad valorem taxes, and benefits thereunder, heretofore made, applicable under new name; providing that organization, authority, functions and powers of such governmental agency shall not be affected by this Act; and declaring an emergency."

S. B. No. 382, A bill to be entitled "An Act fixing the filing fees of candidates for nomination for State Senator in certain senatorial districts; repealing all laws or parts of laws in conflict with the provisions of this Act; and declaring an emergency."

S. B. No. 20, A bill to be entitled "An Act to amend Article 2943 of the Revised Civil Statutes of the State of Texas, 1925, as amended by the Acts of 1945, 49th Legislature, page 128, Chapter 87, relating to the pay of judges and clerks of general and special elections; and declaring an emergency."

H. C. R. No. 133, Requesting the Governor to return H. B. No. 266 to the House.

Adjournment

On motion of Senator Kelley of Hidalgo, the Senate at 1:14 o'clock p. m. adjourned until 10:00 o'clock a. m. tomorrow.

In Memory of
James A. Leonard

Senator Strauss offered the following resolution:

(Senate Resolution 250)

Whereas, On March 31, 1951, Almighty God in His infinite wisdom saw fit to call from this life James A. Leonard of Fort Worth, Tarrant County, Texas; and

Whereas, Mr. Leonard was a graduate of the engineering school of New York University, the owner of the Leonard Products Company of Fort Worth, a member of the Knights of Columbus, Elks Lodge, Knights of Alhambra and St. Patrick's Catholic Church; and

Whereas, He is survived by his widow, Mrs. Florence Leonard, two daughters, Mrs. Robert Hedeon of San Antonio and Miss Barbara Leonard, a student at the University of Texas, and a son, James A. Leonard of Austin; and

Whereas, Mr. Leonard was an outstanding citizen, a World War I Navy Veteran, a loyal and faithful member of his church and a kind and loving husband and father; and

Whereas, it is the desire of the Senate to pay tribute to his memory; now, therefore, be it

Resolved, By the Senate, that we extend to the surviving members of his family our sincere sympathy in their great loss, that a copy of this resolution be mailed to each of them, that a copy be printed in the Journal and that when the Senate adjourns today it do so in memory of James A. Leonard.

STRAUSS

KELLY of Tarrant

The resolution was read and was adopted by a rising vote of the Senate.

In Memory of
Mrs. Anna C. Ottis

Senator Phillips offered the following resolution:

(Senate Resolution 254)

Whereas, God in His infinite wisdom called from this life Mrs. Anna C. Ottis; and

Whereas, Mrs. Ottis was a resident of Wadsworth, Matagorda County, Texas; and

Whereas, The death of Mrs. Anna C. Ottis brought sorrow to her many friends, especially in Wadsworth; and

Whereas, It is the desire of the Senate to pay tribute to the memory of Mrs. Anna C. Ottis, and to extend our sincere sympathy to the surviving members of her family, her four daughters, Mrs. Rosa Lodes of Okarche, Oklahoma; Mrs. Helen Lundin of Wadsworth; Mrs. Ann Rother of Bay City; and Mrs. Eileen Gasses of Franklin; her eight sons, Frank of Bay City, Emil J., Fred H., Mathis J., Thomas, Joseph, George Ottis of Wadsworth; and J. F. Ottis of Okarche, Oklahoma; her one sister, Mrs. John Bausterd of Okarche, Oklahoma; her five brothers, Joe Lodes of Okarche, Oklahoma; John Lodes of Elgin, Oklahoma; George Lodes of Howells, Nebraska; Pete Lodes and Henry Lodes of Okarche, Oklahoma; now, therefore, be it

Resolved, By the Senate of Texas, that a copy of this resolution be sent to each member of her family, that a page in the Senate Journal be set aside in her memory, and that when the Senate adjourns today it do so in memory of Mrs. Anna C. Ottis.

PHILLIPS

The resolution was read and was adopted by a rising vote of the Senate.

In Memory of
Antonio G. Micheletti

Senator Phillips offered the following resolution:

(Senate Resolution 255)

Whereas, The Divine Creator of man called from this life Antonio G. Micheletti of Galveston, Galveston County, Texas; and

Whereas, Antonio G. Micheletti was born September 8, 1886, in Lucca, Italy, and was a resident of Galveston since 1907; and

Whereas, He was a retired merchant and successful business man; and

Whereas, Although his business as a merchant took much of his time he still had civic interests and was an active member of the Sacred Heart Men's Club and of Sacred Heart Parish; and

Whereas, It is the desire of the Senate to pay tribute to the memory of this successful merchant and public-spirited citizen; and

Whereas, He is survived by his wife, Mrs. Cesira Micheletti; three daughters, Mrs. Sam J. Emmitte, Mrs. John P. Emmitte, and Mrs. Frank J. Emmitte; and three sons, Victor A., Anthony N., and Sirio A. Micheletti, all of Galveston; also a sister, Mrs. Teresa Bartolini of Pisa, Italy, and four brothers, Annible Micheletti of Lucca, Italy; Gelindo Micheletti, Corombolo Micheletti and Torello Micheletti, all of Galveston, and fourteen grandchildren, nieces, nephews and other relatives; now, therefore, be it

Resolved, By the Senate of Texas, that we extend our sincere sympathy to the family of Antonio G. Micheletti, that a copy of this resolution be sent to each member of his family, that a copy be printed in the Journal, and that when the Senate adjourns today it do so in memory of Antonio G. Micheletti.

PHILLIPS

The resolution was read and was adopted by a rising vote of the Senate.